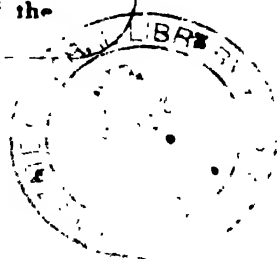


CALCUTTA YARN MERCHANTS' ASSOCIATION

G12080

ANNUAL REPORT *for* 1945

Containing the Managing
Committee Report and the
Audited Accounts of the
Association



Published by
JOTINDRA MOHAN DEY
Honorary Secretary

CALCUTTA
1946

Edited by .

B. N. BHATTACHARYYA, M.A., B.L

Printed by :

PUBLICITY PRINTERS

351, Upper Chitpur Road,

CALCUTTA

CONTENTS

<i>Subjects</i>	<i>Pages</i>
Memorandum of Association ...	1—6
Articles of Association ...	7—26
Tribunal of Arbitration of the Association	27—38
Bye-Laws as adopted in the Extra-Ordinary General Meeting held on 22nd July 1941	39—43
Presidents and Secretaries of the Association —Past and Present . . .	44
Introduction ..	45—51
The Fifth Annual General Meeting of the Association ...	52—54
Office Bearers of the Association for 1945-46	53
Activities of the Association .	55—150
The Textile Sub-Committee Meetings & the New Scheme of Distribution	
Minutes of the meeting held at the office of the A. D. G., Consumer Goods on 1st Nov. 1945. ...	57
Minutes of the meeting held at the office of the A. D. G., Consumer Goods on 6th Nov. 1945.	62
Minutes of the meeting held at the office of the A. D. T. II on 21st Dec. 1945. ...	65

<i>Subjects</i>	<i>Pages</i>
Proposal for introduction of a revised Scheme of Distribution of Yarn	68
Proposed Scheme	69
Minutes of the meeting held at the office of D. D. (V) on 18th Feb, 1946	72
Textile Sub-Committee meeting held on 11th March, 1946—an informal meeting ...	75
Further amendments to Distribution Scheme as per Textile Notification No ²⁰⁴¹ CG./TX/YARN/98/46	77
Yarn Distribution Scheme as per Textile Circular No. ¹⁰³⁶ CG./TX/YARN/302/46	78
Meetings of the Managing Committee ...	85
Procurement of Non-Quota Yarn ...	100
Non-Quota Agents & their Participants ...	102
Non-Quota Scheme	103
Non-Quota Allotments	105
Definition of Non-Quota Yarn & the firms eligible to receive the Margin of Profit ...	106
Procurement Agents for Madras Centre ...	106
Accumulation of huge supply of 10s as Non-Quota	107
Second Margin of Profit	107
Retail Distribution of Yarn to Fabricators and Messrs. Calcutta Fast Colour Dye Works	108
Retail Distribution of Yarn to Fabricators through Local Retailers	109
Monthly Statements of Distribution of Yarn received from Directorate of Textiles, Bengal	110

<i>Subjects</i>	<i>Pages</i>
Retailers Margin of Profit in Local Sale ...	116
Damaged Goods received from the Textile Directorate ...	116
Released Goods of 6s & below ..	117
Exchange of Yarns & Collection from Orissa & C. I. States ...	117
Released Yarn bales of 6s & below lying with Non-Quota Agents ...	118
Cancellation of Allotement of Non-Quota Yarns after payment as per Pro-Forma Invoice	119
Proposal for Britti & Brokerage ...	119
Freezing of Yarns & Time Limit etc. ...	120
Disposal of Frozen Goods ...	121
Telegrams ...	122
Time-Limit on Permit ...	123
Representation on All India Handloom Board	123
Correspondence ...	124
Circulars ...	125
Holidays ...	125
Press ...	125
Federation of Indian Chambers of & Commerce & Industry ...	126
C.Y.M.A. Resolution No. 1 ...	126
Do No. 2 ...	127
Federation of Piecegoods & Yarn Merchants Associations of India. ..	128
C.Y.M.A. Resolution ...	129

<i>Subjects</i>	<i>Pages</i>
Grant of Additional Textile Licence or Licence Alternate	130—137
Grant of Additional "C" Group Licence ...	130
Grant of "C" Group Licence in lieu of "D" Group	135
Grant of both "C" Group & "D" Group Licence	136
Additional "B" Group Licence to Non-Quota Agents	' 137
Protest	138—140
Against Demonetisation Ordinance ...	138
Against Decimal System of Coinage ...	139
Against Sales Tax ...	140
Lunch Party	
Reception to the President, Federation of Piece goods and Yarn Merchants' Associations of India	141—144
Fare-well Party to Mr. C. A. Buxton Addl. Director of Textiles, Bengal	142
Conclusion	145—149
Defective Statistics	145
Yarn Quota for Bengal etc. ...	147
What Bengal Needs	147
Local Retailers	148
Brokers	148
Accounts	151—155
Balance Sheet	152
Income & Expenditure Accounts ...	154
Correspondence	157—186
Representation on the Raw Materials Committee & Marketing Research Committee	159

<i>Subjects</i>	<i>Pages</i>
Observation on the operation of Cotton Cloth & Yarn Control Order ...	165
Cloth and Yarn Quota to Bengal ...	170
Inclusion of the Calcutta Yarn Merchants Association in the Mailing List, T. C., Bombay	171
Sewing Thread and "Bidi" Manufacturers ...	174
Delivery of Contracted good through M/S. B. N. Elias & Co. ...	175
Definition of Freight Charges ...	177
Cancellation of allotments of Non-quota yarns after payment as per Pro-Forma Invoice within 21 days ...	178
Time Limit ...	179
Time Limit on Permits & Submission of Monthly Stocks ...	180
Issue of Permits on Frozen Yarn ...	181
Retail Distribution of Yarn to Small Fabricators	182
Yarn For "Jajnapabit" ...	184
Retailers ...	186
Appendix "A" ...	189
Presidential Speech at the 5th Annual General Meeting of the Association ...	189—190
Appendix "B" ...	197-246
Circular No. 52/45 : (Cotton Cloth and Yarn Control order 1945) ...	197
Circular No. 53 45 : The Cloth and Yarn (Export Control) Order, 1945 ...	213
Circular No. 54 45 : Copy of Notification No. 67-c-w. (15-A) 45 ...	221
Circular No. 8/46 : The Bengal Cotton Cloth and Yarn Control Order, 1946 ...	224

<i>Subjects</i>	<i>Pages</i>
Appendix B (2)	247—62
Bengal Cotton Cloth and Yarn Control Order 1945	247
Appendix "C" : Rates	263—76
Fixation of Ceiling Prices of Yarn	263
Prices applicable from 27th July 1945	263
Prices applicable from 29th October, 1945	266
Prices applicable from 16th April, 1946	269
Notification No. T.C. (17) 1/45	274
Appendix "D" : List of Members	277

MEMORANDUM OF ASSOCIATION

(As amended on 9th September, 1942)

OF

THE

Calcutta Yarn Merchants' Association

(Registered under section 26 of the Indian Companies Act, 1912)

1. The name of the Association is the Calcutta Yarn Merchants Association.

2. The Registered Office of the Association will be situated in Calcutta.

3. The objects for which the Association is established are :—

- (a) To promote and protect the trade, commerce and manufacture relating to Yarn in India (including Burma), and in particular in Calcutta and to promote and foster ideas of co-operation and mutual help among all persons engaged in the trade of yarn irrespective of caste, colour or creed and to adjust controversies between the members of the Association. Yarn trade shall include the trade in cotton yarn, silk yarn, artificial yarn, spun silk yarn, mixed silk yarn and mercerised yarn and yarns of all descriptions.

- (b) To watch over, protect and safeguard the general commercial interest of India, or any part thereof, and the interest of persons engaged in the trade, commerce or manufacture of Yarn in India, and in particular in Calcutta.
- (c) To consider all questions connected with the trade commerce and manufacture in particular those connected with the Yarn trade.
- (d) To collect and circulate statistics and other information relating to trade, commerce, or manufactures.
- (e) To promote or oppose legislative and other measures relating to trade, commerce or manufactures.
- (f) To obtain maximum advantage from the exploiting carriers by way of reduced rates and rebates.
- (g) To adjust controversies between members of the Association.
- (h) To arbitrate in the settlement of disputes arising out of commercial transactions between parties willing or agreeing to abide by the judgement and decision of the Association or other disputes that may be referred.
- (i) To establish just and equitable principles in trade.
- (j) To form a code or codes of practice to simplify and facilitate transaction of business.
- (k) To maintain uniformity in rules, regulations and usages or trade.
- (l) To communicate with Chambers of Commerce and other mercantile and public bodies throughout the

world and concert and promote measures for the protection of trade commerce and manufactures and person engaged therein.

- (m) To provide rooms and other facilities for holding and conducting sales of property, brokerage or commercial transactions, meetings of creditors companies, or arbitrators and other like matters.
- (n) To establish and conduct in or in connection with any building or room erected, provided, regulated or maintained by the Association for the purpose aforesaid, a restaurant for the use of the members of the Association and other resorting to such building or room for the negotiation or transaction of business.
- (o) To purchase properties and to sell, in particular to purchase mortgages, bonds, shares, stocks and other securities and from time to time transfer, negotiate and endorse the same to draw, sign, endorse accept and transfer promissory notes, hundies, bills of exchange or other negotiable instruments as may be necessary to improve, manage, develop, exchange, lease or let, underlease or sub-let, mortgage, dispose of, turn to account or otherwise deal with all or any part of the Association.
- (p) To accept any gift or donation or subscription towards or to accumulate or provide for a fund to invest the same and apply the income arising therefrom or to resort the capital thereof to any of the objects of the Association.
- (q) To invest the money and property of the Association not immediately required for the purposes of the business upon securities or in such manner as may from time to time be determined.

- (r) To construct upon any premises acquired for the purpose of the Association any building or buildings for the purposes of the Association and alter, add to, or remove any building upon such premises.
- (s) To borrow or raise any moneys required for the purposes of the Association, upon such terms and in such manner and on such securities as may be determined and in particular by the issue of debentures charged upon all or any of the property of the Association.
- (t) To subscribe, to become a member of, and co-operate with any other Association, whether incorporated or not, whose objects are altogether or in part similar to those of this Association, and to procure from and communicate to any such Association such information as may be likely to forward the objects of this Association.
- (u) To start journals and periodicals and otherwise diffuse knowledge about the trade and commerce.
- (v) To do all such other things as may be conducive to the improvement extension and development of trade, commerce and manufactures, or incidental to the attainment of the above objects or any of them.

4. The liability of the members is limited.

5. The income and property of the Association whensoever derived shall be applied solely towards the promotion of the Association as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend or bonus or otherwise howsoever by way of profit to the persons who anytime are, or have been members of the

Association or to any of them, or to any person claiming through any of them; provided that nothing herein contained shall prevent the payment in good faith of remuneration to any officers or servants of the Association or to any members thereof or other person in return for any services actually rendered to the Association, or the payment of interest on money borrowed from any member of the Association.

6. If any members of the Association pays or receives any dividend, bonus, or other profit in contravention of the fourth paragraph of this Memorandum his liabilities shall be unlimited.

7. Every member of the Association undertakes to contribute to the Assets of the Association in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a member and the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves, such amounts as may be required not exceeding Rs. 100 -.

8. *Clause 5 of the Memorandum is a condition precedent on which the Provincial Government grants the licence under section 26 of the Indian Companies Act, 1913.*

We, the several persons whose names and addresses are subscribed are desirous of being formed into an Association in pursuance of this Memorandum of Association.

Names	Addresses & Descriptions of Subscribers	Witness
Tulsidas Khatau of Jethabhai Khatau & Co.	13, Narayan Prosad Babu Lane, Calcutta. Merchant	Gadadhar Mukherjee Managing Clerk Messrs. Khaitan & Co. Solicitors 1E, Civil Post Office Street, Calcutta
Vasanji Topan of Vasanji Topan Madhowni & Co.	5/1, Portuguese Church Street. Merchant	
Girdhardas Dewji of Moolji Girdhardas	176, Cross Street, Calcutta. Merchant	
Hirji Thakersey of Sundardas Thakersay & Bros	4, Lucas Lane, Calcutta. Merchant	
Ali Mohamed Tar Mohamed of Haji Hasan Dada	2, Zakaria Street, Calcutta. Merchant	
Mahadevlal Pasari of Bahadurmal Mahadevlal	77, Sulapath, Calcutta. Merchant	
Sita Nath Paul of Prohlal Chandra Paul Jatindra Nath Paul	80/3, Cross Street, Calcutta. Merchant	
Hari Krishna Bhattacharya of Baldeodas Dungsardas	89, Cross Street, Calcutta Merchant	

Dated this 20th day of November, 1940.

ARTICLES OF ASSOCIATION

(As amended on 9th September, 1942)

OF

THE

Calcutta Yarn Merchants' Association

Registered under section 26 of the Indian Companies Act, 1913)

1. Table A of the Indian Companies' Act, shall not apply to this Company and the following shall be its Articles of Association.

2. In these Articles, unless there be something in the subject or context inconsistent therewith :

"THE ASSOCIATION" means "THE CALCUTTA
YARN MERCHANTS' ASSOCIATION"

"MEMBER" means a member of the Association.

"GENERAL MEETING" means a general meeting of the
Association.

"THE COMMITTEE" means the Committee of the
Association under these Articles.

"THE SECRETARY" means the Secretary of the
Association.

"YARN" means cotton yarn, silk yarn, artificial yarn,
spun silk yarn, mixed silk yarn and mercerised
yarn and includes yarns of all descriptions.

3. For the purposes of registration the Association is declared to consist of 200 members.

4. The Committee may, when they think fit, register an increase of members.

5. The Association is established for the purpose expressed in the Memorandum of Association.

MEMBERS

6. Merchants firms and joint-stock companies or other corporations, carrying on or desirous to carry on trade in Yarn in Calcutta may be elected as members of the Association.

7. Any firm joint-stock Company or other Corporation eligible for election as Member may become a Member in their conventional or corporate name.

8. Subject to the provision and restrictions contained in these articles, the rights and privileges of membership may in the case of a firm elected in their conventional name as a member, be exercised by any one partner in such firm or by any one person authorised to sign the name of the firm or to sign such name per procuration, and may in the case of joint-stock company or other corporation elect a member, in its corporate name, be exercised by any one responsible officer of such company or corporation.

9. A candidate for election as a Member, whether an individual firm or a joint-stock company or other corporation shall sign the prescribed application form and be proposed by one and seconded by another Member in the form itself. Such application form shall be sent to the Secretary with a sum of Rs. 50/-.* The Committee may

*Since raised to Rs. 200/- as Admission Fee per resolution adopted at the Managing Committee Meeting held on 23rd August 1944 and Circulated by Office Circular No. 160/44 on 26. 12. 44.

elect or decline to elect a candidate as they shall in their discretion think fit provided that no election shall be made unless two-thirds of the Members present are in favour of the election. If the candidate be elected by the Committee he shall forthwith become a member of the Association and be subject to all the Rules and Regulations of the Association.

10. A firm shall not cease to be a member by reason only of a change in the constitution of the firm occasioned by the admission or retirement or death of a partner, provided the business of the firm is continued in the conventional name in which such firm was elected a member.

11. A firm, joint-stock company or other corporation shall cease to be a member upon any change being made in the conventional or corporate name of the firm, company or corporation.

12. Any Member may withdraw from the Association by giving one calendar month's notice in writing to the Secretary of the intention of such member so to do, and upon the expiration of the time such member shall cease to be a member unless the Committee refuse in writing to accept the withdrawal.

13. The subscription of the Association is Rs. 50/-* per year or such other amount as may from time to time be fixed by the Committee as yearly subscription. Members must pay their yearly subscriptions within the time that may be prescribed by the Committee.

14. The name of any member whose subscription is not paid within the prescribed period or who fails to pay any sum which he is liable to the Association for one month

*Since raised to Rs. 75/- as Annual Subscription per resolution adopted at the Managing Committee Meeting held on 23rd August 1944 and circulated by Office Circular No. 160/40 on 26.12.44.

from the date on which his liability accrues, may be placed on the defaulters list and if he shall not pay such arrear within six days thereafter he shall cease to be a member. Such defaulter shall be re-admitted as a member without formal election (subject to the approval of the Committee) on such terms as the Committee may generally or specially prescribe.

15. If it shall appear to the Committee that any member has not conformed to these articles or to the bye-laws or regulations of the Association or that any member has been guilty of any conduct likely to reflect detrimentally on the Association, the Committee through the Secretary shall be empowered to request such member to resign and if the member so requested shall not resign, within two weeks after such request the Secretary, or the President shall thereupon convene a meeting of the Committee and if in such meeting a majority of two-third of the members present vote for the expulsion of the member so offending, such member shall thereupon cease to be a member.

16. Any member who is reported as, and declared by the Committee after investigation to be a defaulter under any contract or contracts made with other members of the Association or has been adjudicated an Insolvent by a Court having Insolvency Jurisdiction or is committed to jail, or in case of a company when the company has gone into liquidation whether voluntarily or under an order of Court shall cease to be a member.

17. A firm or joint-stock company or other corporation who shall resign or be expelled under the Articles shall be eligible for re-election as a new member after the expiry of one year from the date of resignation or expulsion and provided in the case of adjudication he or they shall have been discharged subject to the approval of the Committee.

18. Any member who shall by any means cease to be a member shall nevertheless remain liable for and shall pay to the Association all moneys which at the time of such member ceasing to be a member may be due from such member to the Association. Such member or any member voluntarily withdrawing himself from the Association before the completion of the year shall not be entitled to any refund or rebate of the subscription for the period then left unexpired.

19. Officials and other persons connected with the trade, commerce or manufacture or other persons not directly engaged in the yarn trade who may have rendered or be likely to render distinguished service to the interests represented by the Association may be elected Honorary Members by the Committee for a period of one year, unless otherwise specifically mentioned upon the proposal of any ordinary member whether a member of the Committee or not, provided always that the number of Honorary Members shall not exceed four at any time and that such proposal is unanimously passed by the Committee.

20. Strangers visiting the Presidency may be admitted by the Committee as Honorary Members for a period not exceeding one year on the proposal of an Ordinary Member, whether a member of the Committee or not, provided such proposal is unanimously passed by the Committee.

21. Honorary members shall be entitled to receive the last published report of the Committee, and to attend, speak and vote, at any meeting held during their membership, and may upon the invitation of the Chairman, as the case may be, attend under the like conditions any meeting of the committee or of any departmental committee or sub-committee, but if a particular Honorary Member has been elected only for a particular requisition he will be entitled to get information regarding that particular requisition only

and the Committee shall have the absolute descretion as to whether or not it will give him other particulars and informations of the Association.

PRIVILEGES OF MEMBERS

22. Every member of the Association shall have a right to get all informations published by the Association as also the right to be present and participate in the regular general meetings and extraordinary general meetings of the Association, but no member shall have any right to get any information of a personal nature of any particular member of the Association or of any secrets of the Association in the keeping of the Managing Committee authorised in that behalf ; but the Managing Committee shall have absolute descretion as to whether or not any such information should be given to any particular member seeking it.

REGISTER OF MEMBERS

23. A list of members shall be kept in which shall be set forth the names and addresses of the members Ordinary and Honorary for the time being, and in which all changes, in membership from time to time taking place shall be recorded.

RECOGNISED BROKERS

24. A candidate in order to register his name in the Register of the recognised Brokers of the Association whether an individual or firm or joint-stock company or other Corporation shall apply to the Association in the form that may be prescribed by the Committee from time to time and be recommended or certified by at least seven members in the application form itself. Such application form shall be forwarded to the Secretary with the sum of Rs. 15/- (or such other amount as may be fixed by the Committee from

time to time) as yearly licence fee. Such applications will be placed before the Committee and the Committee shall in their absolute discretion register the name of the candidate as recognised broker of the Association, or refuse to do so without assigning any reason thereof.

25. If the Committee registers the name of a candidate as a recognised Broker of the Association he shall forthwith be recognised as a Broker of the Association and shall be subject to all the rules and regulations of the Association.

26. A Recognised Broker of the Association shall not be deemed to be a member and not be required to pay the member's subscription except the yearly licence fee so long as he remains as Broker of the Association and not elected as a member.

27. Recognised Broker of the Association shall effect all kinds of transactions in yarn on behalf of the members of the Association and make arrangements to forward or deliver according to the prescribed contract form of the Association and shall not deal in yarn on his own account or enter into any contract with any firm or individual.

28. The recognised brokers of the Association will be subject to such rules and regulations as may be framed by the Committee of the Association from time to time.

REGISTER OF RECOGNISED BROKERS

29. A list of recognised brokers of the Association shall be kept in which shall be set forth the names and addresses for the time being of the recognised brokers, and in which changes in the names and addresses of brokers from time to time taking place shall be recorded.

MANAGING COMMITTEE

30. The management of the affairs of the Association shall be vested in the Managing Committee which shall consist of 17 members who shall be elected at the regular annual general meeting to be held every year. The members of the Managing Committee shall elect one President and two Vice-Presidents from amongst themselves.

31. Until the next election the following shall form the Managing Committee :

1. Mr. Tulsidas Khatau, *President* (Jethabhai Khatau & Co)
2. „ Vasanji Topun, *Vice President* (Vasanji Topun Madhwaraj & Co.)
3. „ Mahadeolal Pasari, *Vice President* (Bhadarmal Mahadeolal.)
4. „ Hari Krishna Jhajharia (Baldeodass Dungsardas)
5. „ Ghansyamdas Goenka (Murlidhar Ghansyamdas)
6. „ Radha Charan Roy (Ashutosh Ray Prafulla Kumar Ray)
7. „ Sita Nath Paul (Prohlad Chandra Paul Jotindra Nath Paul)
8. „ Bhupati Kumar Dey (Bhut Nath Sett)
9. „ Probodh Chandra Paul (Dhirendra Nath Dey Nibaran Chandra Paul)
10. „ Mohamad Omar (Ahmed Abdul Karim Bros. Ltd)
11. „ Ali Mohamad Tar Mohamad (Haji Hasan Dada)
12. „ Nanji Kheraj (P. N. Metha & Co.)
13. „ Gridhardas Devji (Mulji Gridhardass)
14. „ Hirjee Thakersey (Sunderdas Thakersey & Bros)
15. „ Debidutt Goenka (Lachminarain Debidutt)
16. „ Madanlal Patodia (Anandram Bholaram)
17. „ Lalit Mohan Dey (Shyama Charan Dey Ramkrishna Dey)

MEMBERS OF THE MANAGING
(COMMITTEE

32. Any Ordinary member any partner or person authorised to sign the name of a firm registered as an ordinary Member in their conventional name, and any person being a responsible officer of the joint stock Company or other Corporation registered as an ordinary Member in its Corporate name, shall be eligible for election as a Member of the Managing Committee.

33. During the tenure of office as a member of the Committee by an partner or person authorised to sign the name of firm registered as a Member in their conventional name, or during the tenure of office as a member of the committee by any person being a responsible officer of any joint-stock company or corporation registered as ordinary member in its corporate name, no other partner or person representing the same firm, company or corporation as the case may be, shall be eligible for election as a member of the Managing Committee.

34. If any member of the Committee shall absent himself from Calcutta and if the member represents any firm or joint-stock Company or any other corporation than any member of the said firm may act on the Committee on behalf of the absent member.

35. If any member of the Committee absents himself for 3 consecutive meetings, the Committee may declare his office vacant. In such case and in any other case of vacancy the Committee may fill up the vacancy until the next annual general meeting.

36. Any member of the Committee may be removed from office by a resolution of the Committee passed by two-thirds majority at a meeting of the Committee specially convened for the purpose and at which not less than nine members shall be present.

ELECTION AND APPOINTMENT OF MEMBERS OF THE MANAGING COMMITTEE

37. At each Annual General Meeting the Office-bearers and members of the Committee for the preceding year shall retire and office-bearers and members shall be elected to constitute the Committee for the next year. The retiring members shall be eligible for re-election.

38. The election of the Office-bearers and members of the Committee shall be determined by a majority of the votes of members present at the Meeting at which the election is held.

39. In all cases of even voting whether in Committee or in General Meeting the Chairman or in his absence the person elected as Chairman shall have a second or casting vote.

MEETINGS OF MANAGING COMMITTEE

40. The Managing Committee shall meet at such times as they may deem advisable and may make such regulation as they think proper as to the summoning and holding of Meeting of the Managing Committee, and for the transaction of business at such meetings with the permission of the President the meeting convened for a particular and special purpose may also handle other ordinary business of the Managing Committee and the record of the proceedings shall be open to the inspection of Members, subject to such regulations as the Managing Committee, may from time to time, deem expedient.

41. The President, and one Vice-President, and four other members or where the President Vice-President, are absent any six members of the Managing Committee shall form a quorum for the transaction of business members present shall wait half an hour more beyond the time appointed to see if the requisite quorum would be formed. The President may with the consent of the Meetings adjourn any meeting from time to time and place to place and at such adjourned meeting members actually present shall form a quorum for transaction of business.

42. All proceedings of the Managing Committee shall be subject to the control of the Association in General Meeting.

43. All acts done by any meeting of the Committee or by a sub-committee shall, notwithstanding, that there was some defect in the appointment of such members of the Committee or persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a member of the Committee.

44. An yearly report of the proceedings of the Managing Committee shall be prepared, printed and circulated for information of the Members of the Association, at least three days previous to the Annual General Meeting. Such report shall be submitted to the Annual General Meeting for confirmation, and shall be confirmed or otherwise dealt with or disposed of as the Meeting shall determine.

45. The Management of the business and funds of the Association shall be vested in the Managing Committee who will be considered as trustees of the Association in respect of all the properties of the Association. In addition to the powers by these Articles expressly conferred upon them, the Committees may exercise all such powers and do all such acts and things as may be expressly directed or required to be exercised or done by the Association in the General Meeting but no regulation made by the Association in General Meeting shall invalidate any prior act of the Committee which would have been valid if the regulations had not been made.

46. Without prejudice to the general powers conferred by the preceding articles hereof, the Managing Committee shall have power :

- (a) To appoint any departmental committees or sub-committee of the Members of the Managing Committees or of the Members of the Association and such departmental committees or sub-committees may be permanent or temporary or

for special purposes as the Managing Committee may determine.

- (b) To delegate, subject to such conditions as they think fit, any of their powers to departmental committees or sub-committees.
- (c) To add, alter, improve and repeal rules, regulations or bye-laws of the Association, or any department or section of the Association provided such rules, regulations or bye-laws do not either militate substantially against the standing rules and regulations of the Committee subject to the confirmation by the next General Meeting.
- (d) To make, alter or amend the rules of contract.
- (e) To fix the rate of discount on all transactions and to fix the due date.
- (f) To enter into agreement upon such terms and subject to such conditions as the Managing Committee may deem desirable for working in connection with any Association organised for the protection or better development of any branch of trade, commerce or manufacture or with like objects that may apply to be allowed to work in connection with the Association and shall be formed with objects not inconsistent with the objects of the Association, as defined in its Memorandum of Association.
- (g) To make such bye-laws as the Managing Committee may consider expedient for the regulation of the joint working of the business of any Association connected with the Association or for the purpose of defining the terms and conditions of the joint working of the business of such Association or as may, from time to time, be agreed upon between such Association and the Committee.

- (h) To meet with working expenses of the management, establishment charges, wages of clerks and servants, and of other paid officers of the Managing Committee.
- (i) Generally to look after the business of the Association and take all possible measures and steps to promote the popularity of the Association with a view to make success of its aims and objects and to increase the status, dignity and honour of the Association and the members thereof.

PRESIDENT

47. The elected president shall preside at all the meetings of the Association, but in his absence a Vice President shall preside at such meeting. In the absence of both the President and the Vice Presidents the assembled members shall elect somebody as President from amongst themselves for transaction of business of the meeting. The President shall take the votes of the members, shall count them and declare the result of such counting of votes and in case of equality of votes he shall have his casting vote. The President shall during the continuance of the meeting preserve thoroughness and order in the meetings and in all matters he shall be guided by the decision of the majority. Besides the duty of presiding at all meetings the president shall countersign all cheques after proper examination of the vouchers submitted to him by the Secretary.

SECRETARY

*48. The secretary shall be elected to act honorarily or be appointed on salary by the Committee and shall have charge of all correspondence and shall keep an account of

*As ammended by the General Meeting held on the 9th September, 942.

the funds of the Association, and of funds connected with or in any of the Association and of the Managing Committees, of the Departmental Committees and sub-committees and of all Associations connected with the Association and shall get the signature of the President in confirmation of the minutes of the last meetings. He shall have the care of the rooms, furniture, library, pictures and of all documents belonging to the Association. He shall with the permission of the President give notice of all meetings of the Association, of the Managing Committee, of the Departmental Committees and Sub-committees of the Association and of all Associations working in connection with the Association. He shall duly notify members of their election, shall sign all cheques to be countersigned by the President shall collect all dues from members of the Association or from any Committee or any Association and shall grant receipt therefor. The removal expulsion, resignation of any person firm or Company as a member of Association shall be duly notified by circular to all members of the Association by him. He shall prepare the Annual Report of the Association under the guidance of the Managing Committees and the reports of the Committees, and of all Associations connected with the Association. He shall pay the paid officers, clerks and servants of the Association, pay the rent bills of the offices and meet all other establishment charges and shall manage the income of the property of the Association and shall keep regular account of incomes and expenses. He shall circulate among the members the Annual Reports Notices and other informations for purpose of circulation and generally shall perform all such duties as are incidental to his office and with the consent of the Managing Committee he may employ proper persons to help him in his works. He shall ordinarily meet sundry bills and expenses not exceeding Rs. 50/- at a time but for expenses beyond Rs. 50/- he shall receive beforehand the sanction of the Managing Committee. He

shall represent the Association for all purposes whenever occasion arises before the Court of Justice in any suit or proceedings instituted by or against the Association but will not be competent to compromise any suit or proceedings without the sanction of the Committee.

AUDITOR

49. The Auditor shall from time to time be appointed by the Committee. He shall audit the accounts of the Association, of Departments of the Association, Associations connected with the Association and of all funds connected with or controlled by the Association and his duties shall be regulated in accordance with Section 144 and 145 of the Indian Companies Act or any statutory modification for the time being in force.

GENERAL MEETING

50. The Meeting of the Association will be held once a year to be called the General Meeting or as many times as would be deemed expedient by the Managing Committee ; and these latter meetings would be called "Extra-ordinary General Meeting." At the General Meeting the Annual Report or the half yearly Report as the case may be and the regular procedure of the Association for the full year or the half year as the case may be will be conducted. The first General Meeting shall be held at such time not less than one month and not more than three months after incorporation of the Association and at such place as the Committee may determine.

51. The General Meeting shall be held once in every year in or about the Month of March not being more than 15 months after the holding of the last General Meeting and at such place as may be prescribed by the Association or in default at such time in the month following in which the anniversary of the Association occurs and at such place the

Committee shall appoint. In the case of General Meeting not so held for any cause whatsoever the General Meeting shall be held in the month next following and may be convened by any five members in the same manner as nearly as possible in which meeting are usually convened by the Committee.

52. Extra-Ordinary General Meetings may be held at any time and at such place as the Managing Committee may consider convenient for the despatch of business. At such meeting business other than those specified in the Agenda may be transacted, *viz.*, the yearly or half-yearly audited accounts shall be submitted for confirmation, election of members of the Managing Committee, or any other business as may be brought forward.

53. The Secretary shall upon a requisition made in writing by any five members, convene an Extra-ordinary General Meeting and such meeting shall be held within a week (holiday excepted) from the date of receipt of such requisition and a notice of such meeting under the signature of the Secretary shall be circulated among the members of the Association for their information at least twenty four hours before the time appointed for such meeting.

54. Any requisition made by the members shall express the object of the Extra-ordinary General Meeting proposed to be called and must be signed by the requisitionists and left with the Secretary at the registered office of the Association.

55. On receipt of the requisition the Secretary shall forthwith proceed to call a General Meeting, if he does not proceed to cause a meeting to be held within twenty-one days from the date of the requisition so deposited, the

requisitionists or any other five members may themselves call a meeting.

56. All alterations or cancellments of or additions to the rules, the bye-laws and contracts of the Association shall be submitted by the Managing Committee to a General Meeting of the Association for confirmation.

*57. *One-fifth* of the total number of the qualified members on the roll will form a quorum for the General Meeting and no business shall be transacted at a General Meeting unless such a quorum of members is present at the Commencement of such business. Members shall wait for half an hour more beyond the time for meeting to see if the requisite quorum would be formed.

58. Every question submitted to a General Meeting or to the Managing Committee shall be decided by a majority members present and voting at such meeting.

PROCEEDINGS AT GENERAL MEETINGS

59. The business of an ordinary general meeting shall be to receive and consider the balance sheet and the report of the Committee, to appoint Auditor and other officers in place of those retiring by rotation or otherwise, to transact any other business which under those articles ought to be transacted at an ordinary meeting.

60. Fourteen days' notice at least specifying the place, the day and the hour of meeting and in case of special business the general nature of the business shall be given to the members in manner hereinafter mentioned or in such other manner (if any) as may be prescribed by the Association in general meeting ; but the non-receipt of such a

*As amended by the General Meeting held on the 9th September, 1942.

notice by any member shall not invalidate the proceedings at any general meeting.

61. If within one hour from the time appointed for the meeting a quorum of ten members is not present, the meeting if called on the requisition of members shall be dissolved, in any other case, it shall stand adjourned to the same day in the following week at the same time and place, and if at such adjourned meeting a quorum of ten members is not present it shall be adjourned *sine die*.

62. For any meeting adjourned *sine die* the President shall have powers to call the meeting on the signed requisition of at least 75 per cent of the then members of the Association and to act and proceed in accordance with the terms and conditions set here-under and treat the meeting as an Extra-ordinary General Meeting whose proceedings and decisions will not be open to objections by any member of the Association.

63. The President shall preside as chairman at every General Meeting of the Association and in his absence a Vice-President shall preside as such.

64. If the Vice-Presidents also be not present at the time of holding the meeting the members present shall choose some one of the members to be Chairman of that meeting

65. The Chairman may, with the consent of the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at meeting from which the adjournment took place.

66. At any general meeting, unless a poll is demanded by at least three members, a declaration by the Chairman

that a resolution has been carried and an entry to that effect in the book of proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the vote recorded in favour of or against the resolution.

67. If a poll is demanded in manner aforesaid the same shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

VOTES OF MEMBERS

68. Every ordinary member shall have one vote except that the President or Chairman in case of equality of votes shall have a casting vote.

69. Any number of representatives of a firm registered as a member in their conventional name, or any joint stock company or other corporation registered as a member in its corporate name may attend any general meeting, but only one of such representatives shall be entitled to vote.

70. No member shall be entitled to vote at any meeting unless all moneys due by him to the Association have been paid.

NOTICE

71. A notice may be served upon any member either personally or by sending it through the post in a prepaid letter addressed to such members at such member's registered address

72. Any notice sent by post shall be deemed to have been served at the time when the letter containing the same would be delivered in the ordinary course of the post,

notice by any member shall not invalidate the proceedings at any general meeting.

61. If within one hour from the time appointed for the meeting a quorum of ten members is not present, the meeting if called on the requisition of members shall be dissolved, in any other case, it shall stand adjourned to the same day in the following week at the same time and place, and if at such adjourned meeting a quorum of ten members is not present it shall be adjourned *sine die*.

62. For any meeting adjourned *sine die* the President shall have powers to call the meeting on the signed requisition of at least 75 per cent of the then members of the Association and to act and proceed in accordance with the terms and conditions set here-under and treat the meeting as an Extra-ordinary General Meeting whose proceedings and decisions will not be open to objections by any member of the Association.

63. The President shall preside as chairman at every General Meeting of the Association and in his absence a Vice-President shall preside as such.

64. If the Vice-Presidents also be not present at the time of holding the meeting the members present shall choose some one of the members to be Chairman of that meeting

65. The Chairman may, with the consent of the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at meeting from which the adjournment took place.

66. At any general meeting, unless a poll is demanded by at least three members, a declaration by the Chairman

that a resolution has been carried and an entry to that effect in the book of proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the vote recorded in favour of or against the resolution.

67. If a poll is demanded in manner aforesaid the same shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

VOTES OF MEMBERS

68. Every ordinary member shall have one vote except that the President or Chairman in case of equality of votes shall have a casting vote.

69. Any number of representatives of a firm registered as a member in their conventional name, or any joint stock company or other corporation registered as a member in its corporate name may attend any general meeting, but only one of such representatives shall be entitled to vote.

70. No member shall be entitled to vote at any meeting unless all moneys due by him to the Association have been paid.

NOTICE

71. A notice may be served upon any member either personally or by sending it through the post in a prepaid letter addressed to such members at such member's registered address

72. Any notice sent by post shall be deemed to have been served at the time when the letter containing the same would be delivered in the ordinary course of the post,

SEAL

73. The Managing Committee shall forthwith provide a common seal for the Association. The seal shall be deposited with the Secretary and shall never be affixed to any document except in the presence of the President or the person acting as President and Secretary and one member of the Managing Committee.

74. Deeds, Bonds and other contracts, under seal made on behalf of the Association, sealed with common seal of the Association and signed by the President and Secretary or the person acting as President and Secretary and one member of the Committee shall be deemed to be duly executed.

ARBITRATION

75. Any dispute arising between any members of the Association or between any recognised brokers or between any recognised broker and any members of the Association in connection with any transaction in yarn or any dispute between any person that may be referred to the Association shall be decided by arbitration under the Rules of the Association.

THE Calcutta Yarn Merchants' Association

(Registered under section 26 of the Indian Companies Act, 1913)

Tribunal of Arbitration

RULES

(As amended on 9th September, 1942)

INTERPRETATION

1. The marginal notes hereto shall not affect the constitution hereof and in these Rules the following words have the following meanings :—

Interpreta-
tion
Clause

- (1) "Association" means the Calcutta Yarn Merchants' Association.
- (2) "Members" means the members for the time being of the Association.
- (3) "Tribunal" means the Tribunal of Arbitration hereby constituted.
- (4) "References" means any submission or agreement to refer difference or disputes to the Tribunal.
- (5) "Party" shall include an individual, a firm or a Company.
- (6) "Court" means the Arbitrator appointed for determining a particular dispute or the Umpire where an Umpire has been appointed and is acting in the Arbitration.

OBJECT AND CONSTITUTION OF THE TRIBUNAL

II. The object of the Tribunal is the determination, settlement and adjustment of dispute and differences between the members of the Association or between recognised brokers and members or between recognised brokers relating to trade, business, manufacturers etc., and to customs of trade or any other disputes that may be referred to the arbitration of the tribunal or Arbitration of the Association by the members or the recognised brokers.

*III. The Secretary, Assistant Secretary or any body else duly authorised to act on his behalf for the time being of the Association shall be and he is hereby appointed to be and to act as the Registrar of the Tribunal and his duty as such shall ordinarily consist of or include the following:

He shall by himself or his subordinate receive submissions, references or applications to the Tribunal and receive payment, submissions references of the Court, receive all applications made to the Court by the parties and communicate to them the orders and directions of the Court, keep a register of submissions, references and applications to the Tribunal and of awards and such other books or memoranda and make such returns as the Association of the Tribunal shall from time to time require and generally carry out the directions of the Court, and take such steps as may be necessary to assist the Court in the execution of its functions.

*As amended by the General Meeting held on the 9th September, 1942.

IV. (1) In every case where a dispute has arisen either between any members or brokers of this Association or in relation to a contract which provides for a decision thereof by the Association or the Tribunal or in relation to a contract which does not so provide but the parties to which have, by a special agreement signed by them, referred to particular dispute for settlement by the arbitration of the Association or of the Tribunal an application for Arbitration may be addressed by either party to the Registrar.

Appoint
ment of
arbitration

(2) On receipt of such application the Registrar shall constitute a Court for the adjudication of the dispute by appointing and nominating in writing two Arbitrators selected by him with the approval of the Committee from among the members of the Association or if the parties so desire one Arbitrator only or three Arbitrators.

(3) The consent to act of the Arbitrator or the Arbitrators shall be obtained by the Registrar and the Arbitration shall forthwith proceed in accordance with these rules.

(4) In the event of the Arbitrators' disagreement the Registrar shall with the approval of the Committee appoint and nominate an Umpire to be selected from among the members of the Association and whose consent to act shall

be obtained by the Registrar and such Umpire shall then proceed with the Arbitration in accordance with these rules.

Arbitrators
to have
practical
knowledge

V. In making any appointment and nomination as aforesaid the Registrar shall select as far as possible person or persons having a practical knowledge of the subject matter of the contract or contracts in question and the Registrar shall not appoint any person who for any reason within his knowledge would not be a proper person to act as Arbitrator or Umpire.

Names of
Arbitrators

VI. The names or name of the persons or person constituting the Court shall not ordinarily be disclosed to the parties nor shall the parties be entitled to such information as of right. In the event of any of the parties applying on special grounds (to be specified in writing to the Registrar) for the disclosure of the said names or name the decision as to whether such disclosure shall be made or not shall rest in the absolute discretion of the Registrar. The non-disclosure shall be made or not shall rest in the absolute discretion of the Registrar. The non-disclosure of the said names or name shall not in any case affect the validity of the arbitration proceedings or of any award therein nor afford ground of objection to the filing of the award.

Arbitrator
failing
to act

VII. If any Arbitrator or Umpire decline or fail to act within a reasonable time or if he dies or becomes incapable of acting, the Registrar may substitute and appoint a new Arbitrator or Umpire in manner aforesaid and the Court so reconstituted shall proceed with the arbitration

with liberty to act on the record of the proceeding as then existing and on the evidence if any then taken in the Arbitration or to commence the Arbitration *de novo*.

CONDUCT OF ARBITRATION

VIII. The parties shall within such time as may be directed by the Court prepare and submit to the Registrar a written statement of their respective case with all regular vouchers and correspondence and documents and a sum of Rs. 16/- as fees for the Arbitration.

Statement
to be filed
within
special
time

IX. The Court may at its discretion enlarge the time not exceeding 10 days at a time for submission of a written statement but it shall not be bound to receive or to consider any written statement of either party tendered after the expiration of the original or subsequently extended time as the case may be.

Enlarge-
ment of
time for
submission
of statement

X. All applications which the parties desire to make to the Court and all notices to be given to the parties before or during the course of the Arbitration or otherwise in relation thereto shall be made through the Registrar who shall communicate the orders and directions of the Court thereon to the parties.

Communi-
cation to be
made
through
the Registrar

XI. The said parties respectively shall do all acts necessary to enable the Court to make a just Award and shall not wilfully do or cause or allow to be done any act to delay or to prevent the Court from making an award and either party shall pay to the other such costs as the Court shall deem reasonable.

Obligation
of the parties

XII. Unless oral evidence beyond more proof of documents of which the factum is not disputed is taken, it shall not be necessary to have a formal hearing of a reference before the Court, but in all cases the Court shall have power to appoint a time and place for the hearing of references when it considers a hearing to be necessary.

Appearance
of parties

XIII. No party to a reference shall without express permission of the Court be entitled to appear in person or by counsel, Attorney or other Advocate or Adviser, before the Court, but the Court at its absolute discretion may through the Registrar, require the parties, with or without their banker and witnessess, to attend before it or before any Committee or Sub-committee of the Association to be examined on or without oath or solemn affirmation.

Evidence

XIV. The parties to the reference, and all persons claiming through them, respectively, shall if the Court require and subject to the provision of any law for the time being in force, submit to be examined by the Court on oath or affirmation in relation to the matters in dispute, and shall subiect as aforesaid

Produce before the Court all books, deeds, papers, accounts, writings and documents within their prosession or power, respectively which may be required or called for by the Court.

Comply with the requirements of the Court as to the production and selection of samples.

And generally do all other things, which during the proceedings on the reference the Court may require.

XV. The Court may proceed with the reference notwithstanding any failure to file a written statement within due time and may also proceed with the reference in the absence of any or both of the parties who under these Rules is entitled to appear and being desirous of appearing before the Court shall, after due notice, refuse or neglect to attend.

Absence of parties

XVI. The Court may at its own instance at any time or times before making a final award, and at the expense of the parties consult, refer to, and action and adopt the advice, recommendations or suggestions of any Committees or Sub-committees of the Association or of any experts whether member or not, the Court may also at the like expense of the parties, consult and adopt advice of Solicitors or Counsel upon any question of law evidence or procedure arising in the course of the reference.

Arbitrator empowered to consult Committees and Solicitors or Counsel

AWARDS

XVII. In cases where the Court shall consist of more than two Arbitrators the decision of the majority shall be taken as the decision of the Court.

Decision of majority

XVIII. The Court shall make its award in writing within thirty days after entering on reference or on or before and later day to which the Court by any writing signed by them may from time to time with consent of all the parties to the reference enlarge the time for making the award.

Time for
making
award by
arbitration

XIX. The Umpire shall make his award within thirty days after his entering upon the reference or on or before any later day to which he by any writing signed by him may from time to time, with the consent of all the parties to the reference enlarge the time for making his award.

Extension
of time

XX. If the Court have allowed the time, or extended time to expire without making any award and without having signified to the Registrar that they cannot agree, the Registrar shall constitute in manner aforesaid another Court which shall proceed with the Arbitration and shall be at liberty to act upon the record of the proceedings as then existing and on the evidence, if any then taken in the Arbitration or to commence the Arbitration *de novo*.

Extent of
award

XXI. The Court may, by its award, order and determine what shall be thought fit to be done by either of the said parties respecting the matter referred.

Signatures
to and issue
of award

XXII. The decision or award of every Court shall be signed by the Court and by the Register. When completed, a copy of the award shall be sent by the Registrar to each of the parties but the name or names of the member or members of the Court shall not affect the validity of the award nor afford any ground of objection to the same being filed.

Award
binding on
all parties

XXIII. The parties shall in all things abide by and obey the award which shall be binding on the parties and their representatives notwithstanding the death of any party before

of after the making of the award, and so that such death shall not operate as a revocation of the submission.

XXIV. Subject to the provisions of the Law in British India for the time being relating to Arbitration, no objection shall be taken or be entertained to application to file an award, nor shall any award be set aside or varied or attempted to be set aside or varied by reason or on account of any informality, omission, delay, or error in the proceedings or of any neglect, omission, delay, mistake or error by the Court in or about the same or in relation thereto.

Setting
aside

XXV. Whenever an award directs that a certain act or thing shall be done by one party to the reference, e.g., delivering or taking (with or without allowance) delivery of goods and such party fails to comply with the award, the party in whose favour the award is made may make a fresh application for further determining the amount of damages or compensation payable by reason of such failure, and the Registrar, on receipt of such application, shall proceed to constitute a new court which may or may not consist of the same or of one or more of the members constituting the Court who made the first award and the new Court shall proceed under these rules to arbitrate on the said application and the award thereon may be filed separately or together with the original award.

Further
award

FEES

XXVI. (1) Each party shall pay Rs. 16/- or such other sum as may be fixed as fees

Fees

for the Arbitration at the time when their respective statement of case will be submitted to the Registrar. The said parties shall also pay as and when demanded by the Registrar all charges and expenses incident to the reference by way of local investigation or inspection and all further fees, charges and expenses falling under Rule XVI. ,

(2) Any party making such payment may recover the whole or any part of the sum so paid from any other party ultimately held by the Court to be liable to pay the same.

(3) Unless the Court shall otherwise direct no rebate or refund shall be claimed or made in respect of fees, charges or expenses when once incurred or paid.

(4) Each Arbitrator or Umpire as the case may be shall receive Rs. 8/- or such sum as may be fixed as his fees for each case, unless the Arbitrator or Umpire act without remuneration.

XXVII. The cost of the reference and award including fees payable as aforesaid to the Court shall be in the discretion of the Court who may direct to and by whom and on what manner and in what proportion such costs or any part thereof shall be borne and paid and may tax and settle the amount of costs to be so paid or any part thereof, and may award cost to be paid as between solicitor and client.

IMMUNITY OF ARBITRATORS

Immunity
of Arbitra-
tors

XXVIII. Neither of the parties shall bring or prosecute any suit or proceeding whatever against the Court, or any member thereof, for or in respect of the matters in dispute or any of them or of the arbitration, nor any such suit or proceeding (save for the enforcement of the award) against the other party.

NOTICES

XXIX. All notices required by these rules to be given, shall be in writing and shall be sufficiently given if left, at the last known place of abode or business of the party to whom the notice is addressed, or if sent by post prepaid addressed to him by name at such place of abode or business and not returned through the post undelivered, before signature of the award by the Court and shall, if sent by post, be deemed to have been given at the time at which the letter would in the ordinary course be delivered. In the case of a contract entered into by an agent in Calcutta on behalf of a person having no place of business there, the place of abode or business of the agent shall be deemed that of the party. Every determination and award of the Court shall be deemed and taken for all purposes to be the determination and award of the Tribunal of the Association as the case may be.

Notice to
be given in
writing

We, the several persons whose names and addresses are subscribed are desirous of being formed into an Association in pursuance of this Articles of Association.

Names	Addresses & Descriptions of Subscribers	Witness
Tulsidas Khatau of Jethabhai Khatau & Co.	13, Narayan Prosad Babu Lane, Calcutta. Merchant	Gadadhar Mukherjee Managing Clerk Messrs. Khaitan & Co Solicitors B, Old Post Office S Co
Vasanji Topan of Vasanji Topan Madhowji & Co.	5/1, Portuguese Church Street. Merchant	
Girdhardas Dewji of Moolji Girdhardas	176, Cross Street, Calcutta. Merchant	
Hirji Thakersey of Sundardas Thakersay & Bros.	4, Lucas Lane, Calcutta. Merchant	
Ali Mohamed Tar Mohamed of Haji Hasan Dada	12, Zakaria Street, Calcutta. Merchant	
Mahadevlal Pasari of Bahadurmah Mahadevlal	77, Sutapatti, Calcutta. Merchant	
Sita Nath Paul of Prohlad Chandra Paul Jatindra Nath Paul	80/3, Cross Street, Calcutta. Merchant	
Hari Krishna Bhajharia of Baldeodas Dungarsidas	89, Cross Street, Calcutta. Merchant	

Dated this 20th day of November, 1940.

THE Calcutta Yarn Merchants Association BYE-LAWS

*(As adopted in the Extra-ordinary General Meeting
dated the 22nd July, 1941)*

1. For the purpose of these bye-laws, all the Contracts
contracts in yarn trade are divided in two classes :

(a) Spot contract (for ready delivery).

(b) Shipment contract (for forward delivery).

(i) No member of the Association can sell
any goods for shipment contract (for
forward delivery) to the non-members.

(ii) Prescribed forms of contract shall be
supplied from the Association.

2. In case of ready goods, the buyers shall Delivery
take delivery of the goods within the next
working day succeeding the date of sale unless
otherwise stated at the time of sale or arranged
by mutual consent of the parties in respect
of delivery of the goods.

If the delivery is not completed within the
time mentioned above, the sellers shall be at

liberty complete the delivery at buyer's expense of annas three per package or as may be fixed by the Association from time to time. All deliveries should be made within the working hours unless otherwise agreed.

3. In case of sale of goods for forward delivery, the delivery of all forward contracts shall commence according to the terms and conditions of the original contracts.

4 If the seller demands cash payment against Delivery Order of the goods, the buyer should be given sufficient time, at least 3 days, for taking delivery of the goods. In such cases buyers should take delivery of the goods from the seller's godown at their own expense and after the expiry of the time mentioned above the seller has the right to claim interest @ 9% p. a. up to the date of delivery.

Payments

5. Unless expressly stated all transactions in yarn shall be made for cash payments against delivery of goods and the buyer is entitled to have discount at the rate prescribed below :—

- (a) Eight annas per cent on the value of all goods except specifically mentioned in the contract and below.
- (b) Two per cent on the value of the goods manufactured in Japan, of count Nos. 20, 32, 40, 2/42, 60 of contracts for ready delivery unless expressly stated.
- (c) Three per cent on the value of the goods manufactured in Japan, or in England of contracts for forward delivery except specifically mentioned in the contract.

(d) No discount will be allowed on the value of the goods manufactured in Japan or in other foreign countries for ready delivery of the following yarn:—

(i) Grey Yarn manufactured in England of Counts 60 and upwards.

(ii) Art Silk Staple yarn, Spun Silk manufactured in Japan or in any foreign country.

6. For all goods delivered by the seller to the buyer, the payment should be made within three days excluding holidays declared by the Association, failing which, the buyer shall have to pay to the seller interest at 9% per annum from the date of delivery up to the date of payment. No rebate or proportionate interest shall be allowed by the seller to the buyer if the payments are made in advance or on the date of delivery.

7. The working hours are from 10 A. M. to 8 P. M. on all working days which can be altered at the decision of the Managing Committee. No deliveries should be made before 10 A. M. or after 6 P. M. except on special circumstances.

Working
Hours

8. The Committee shall from time to time decide the non-working days or holidays on which the business shall not be transacted. The lists of such non-working days shall be posted on the Notice Board of the Association and also circulated among the members.

Working
Days &
Holidays

9. Application to obtain a certificate from the Association to be enrolled as a broker of the

Brokers

Association shall be made in the form prescribed by the Association together with an annual fee of Rs. 15/- which shall be chargeable for the official year irrespective of the date of admission.

10. The broker's certificate will be issued in the name of the applicant according to the direction of the Committee upon bonafide claim.

11. Any broker may, he one calendar month's notice in writing accompanied with his certificate cancel his certificate after the expiration of the period of notice.

12. Every broker shall have to renew his certificate by paying the annual fee in advance.

13. No broker can transfer or otherwise deal with the certificate granted to him.

Broker's
Fee

14. On all contracts every broker shall receive brokerage from the purchasers at the following rates :—

- (a) Eight annas per bale or case, on all yarns except specifically mentioned in sub-clause (b) and (c).
- (b) Six annas per cent on yarn manufactured outside or in India of (i) Artificial Silk (ii) Dalster (iii) Staple Fibre (iv) Spun Silk (v) Counts from 70s and upwards.
- (c) One rupee per package of mercerised yarn of count Nos. 2/42,2/64,2/84.

15. The Secretary shall issue to all the members of the Association a list of certified brokers.

16. Members of the Association shall do all business through the brokers only who are certified by the Association.

17. Any representation by the brokers affecting the interest of the brokers should be forwarded to the Committee through the Secretary.

18. All disputes relating to or incidental to business either between members or members and brokers (as provided in the Articles of Association) shall be decided by the Association. Arbitration

19. It is further resolved that if any member or broker of the Association has any grievance, he may place the same before the Committee through the Secretary, in writing. Emergency

Presidents and Secretaries

PAST and PRESENT

President

*Honorary Secretary*¹

1941-42

Mr. Tulsidas Khatau

Mr. Hari Krishna Jhajharia

1942-43

Mr. Hirji Thackersey

Mr. Hari Krishna Jhajharia

1943-44

Mr. Chaganlal Ladhahhai

Mr. Hari Krishna Jhajharia

1944-45

Mr. Chaganlal Ladhahhai

Mr. Hari Krishna Jhajharia

1945-46

Mr. Radha Charan Roy

Mr. Jatindra Mohon Dey

**REPORT OF THE COMMITTEE
OF THE
Calcutta Yarn Merchants' Association
FOR
THE YEAR 1945**

The Managing Committee of the Calcutta Yarn Merchants' Association have the pleasure of presenting to the Members of the Association this report for the year 1945 together with audited Statement of Accounts for that period.

INTRODUCTION

The year 1945 stands memorable in the history of the world. It started with the ringing defeats inflicted upon Germany and her allies in the West and witnessed at its third part the miracle application of Atomic energy on the east, thereby bringing about an abrupt end of World War II. The world survived the total war but not its terrible aftermath. The Atom bomb that brought down the curtain on the eastern theatre of world war could not however give back to man what he eagerly looked for. In 1945, therefore, closed the chapter of war but not the sufferings of man. Peace stands at the same distance still, where it stood for the last six years of havoc, destruction and untold misery of the children of earth. The costly smiles of 1945 are still ringing with the pathetic tragedy of life and its serious problems, political, social and economic as well. Political readjustments are not yet heard without murmur and discontent, social uplift is as yet an idea yet to be achieved, reconstruction and rehabilitation schemes are yet in embryo and undergoing

still a process of formulation, while the economic nerves of most of the nations are shattered into pieces. During the brief span of the last twelve months there were so many kaleidoscopic changes in the current of world events. The death of President Roosevelt, the splitting of the Atom which at once contributed to the sudden cessation of the war, the birth of the United Nations Organisation, the advent of the Labour Government in the United Kingdom are but a few of these events that caused big hopes and deep dismay in the hearts of many. But woes and sufferings all the more echo and re-echo throughout the length and breadth of his earth. May be, these are the travails of transition. May be, the endless big possibilities that emerged out of the last Great World War II will some day find their realisation. May be, the same has yet to be achieved by another War. But for the present nothing but pessimism darkens the heart of men.

In India the grim tragedy of life and living is still telling upon the nerves of masses. The acute problem of unemployment with the end of the war is still being attempted to be solved by paper schemes. The pre-war prices of rice and wheat are long forgotten and considering the per capita income of the masses of this country one cannot but come to the irresistible conclusion that famine though not officially declared still stares at the face of the unfortunate millions whose voices are seldom heard from distant corners. The words of Lord Wavell are amply significant on the point: "The general food situation of India continues to demand vigilance on the part of the Government and co-operation and restraint on the part of the public."

During the year under review, the rate of expansion in currency in circulation registered a rise of about 10 per cent over 1944 as compared with a fall of about 48 per cent in such in 1944 over the preceding year. The full effect

of this rise has not been felt, mainly because the Government's borrowing programme continued to receive encouraging response. As a result of these, the inflationary gap must have been bridged by well over 300 crores.

During this year the coal, paper and drugs production seems to have improved noticeably. Unlike iron and steel industry jute goods production has been more or less maintained in the face of varied impediments. During the first nine months of the year exports from India have been lower than in the corresponding period of 1944, while imports were appreciably higher, especially since the cessation of hostilities. The visit of the Hydari Mission to the United Kingdom of course explains the latter event. Thus it is clear that the balance of trade has been thoroughly unfavourable throughout the year.

In comparison with the last year it cannot but be admitted that the cloth position in 1945 has deteriorated appreciably both in regard to quantity and quality as well. But this comparison does in no way fully reveal the cruel truth that finds pathetic and shameful expression in the half-clad and almost nude millions in the distant mofussi of big cities and buzzing towns. The purchasing capacity of the general mass has long failed to keep pace with the high prices even under the controlled rates. In comparison with the pre-war prices the prevailing rates evidently prove prohibitive to the general populace whose *per capita* income fails to procure even two square meals a day. If anything could save them from nudity and shame, it was certainly the handloom industry of the country and not the mill-made cloths that were and are being sold at high controlled prices. But here also opens an episode that has denied them the favour and would require columns to narrate the naked truth.

Unless sufficient and adequate supply of yarn is assured at a convenient rate of prices, even the handloomers cannot

save either themselves or the mass at large. And the fact stands that since the outbreak of World War II this handloom industry of this country has been receiving checks after checks, so much so as, in the province of Bengal particularly, it now awaits the final death blow so to say. The result is quite obvious already and being keenly felt both by the traders and consumers in this province especially. Thus the prices of handloom-cloths also are now soaring up to such a peak as the poor public can no more think of buying them. The gangrene that has thus started to be felt in the economic life of India, especially Bengal, does not find as yet a favourable prognosis for its cure in near future. On the 21st December, 1945, Mr Krishnaraj M. D. Thackersey, the Chairman, Textile Control Board, admitted that *"as conditions now exist, it is not possible to remove control as quickly as was at one time anticipated"* and added *"until the present world shortage in textile is removed it will be necessary to retain control to ensure that whatever supplies are available are distributed as fairly and equitably as possible. If any relaxation is made at this juncture, the situation may seriously worsen, and this will only result in a further aggravation of the short supplies resulting in resumption of black market activities."* Such is the disappointing note of the year 1945 towards its close in regard to textile problem. Nevertheless, taking Mr. Thackersey at his words the work of distribution as was witnessed in 1945, is far from being either effective or satisfactory. Equitable distribution certainly forms the most important factor in matters of cloth and yarn and nobody can dare deny it. But what efforts were taken to effect and ensure it during the year under review can hardly be called satisfactory. If equitable distribution was the chief concern of the Textile Control Board, it is difficult to understand why the question of freezing of cloth and yarn received so much careless apathy from the authority throughout the period. If the word "equity" is rightly understood, it cannot but convey the sense of

“proportion” and “timely” by it. If the commodity is not supplied in time of dire need the matter of proportion naturally loses its significance altogether. And this is not unknown to the authority concerned. Yet the serious complaints are still allowed to be heard that some of the Provincial and Stage Controllers have been holding up movement of cloth and yarn by freezing them with the wholesale merchants for an unduly long period, thereby causing a lot of inconvenience not only to the consumers but also to the dealers who have had to lock up their cash resources and incur extra storage expenditures. At a meeting of the Distribution Committee it was decided to recommend to the authorities that “All cloth and Yarn frozen in the hands of the wholesale dealers should automatically be free for sale within the zone in which it is located after it has been in possession of the wholesale dealers for 60 days, unless disposal instructions had by that time been received.” Referring to this decision, Mr. Krishnaraj stated, “everyone will agree that 60 days is a reasonable period of time and the Government will agree to accept this fair suggestion.” But it can fairly be asked whether the period of 60 days is not too long a time in face of the fact that production in the country is barely sufficient to meet even the essential requirements. A period of 30 days might give sufficient time for the Provincial Controllers to issue release instructions. To be frank, there is no earthly reason whatsoever why the same cannot be reduced to a period of 10 days within which time one of the Provincial Governments has been getting the whole thing done. What is practicable for one, can indeed be made practicable for another. In fact, the Directorate of Textiles in this Province did give way to better understanding and in compliance with the advice to this Association attempted towards the end of this year under review to compel the District S. D. Os in the Mofussil to issue disposal instructions within 21 days from the date of freezing. The New

Scheme of Distribution under which this arrangement was provided was given effect to some extent by issue of notices and circulars. But all on a sudden this wise Scheme was not only not given effect to but a foreign element was ushered in matter of distribution of yarn under the title of Government Clearing and Forwarding Agent. And this was done in the face of vehement protest of the trade concerned, the public and the press too. If distribution was meant to be equitable, regular and prompt, why such a change in attitude was at all allowed to be manifested in Bengal detrimental to the interests of the traders and consumers is yet to be questioned in all sense reasonable. If normal trade channel is at all intended to be restored, the point why an outsider, who is neither a trader or even a consumer in yarn, should be allowed to screw the age-old trader to part with a portion of his due share of profit, thereby telling upon the nerves of the poor consumers in the long run, is yet to be understood no doubt. 1943 was the year for bringing the mills under control, 1944 was the year meant for price-reduction and de-hoarding and 1945 carried with it the main feature of distribution in cloth and yarn. If 1943 was successful in the attempt, 1944 was partly so and 1945 in truth sounded nothing but a disappointing note in its work of distribution. The tendency to dilatoriness or piecemeal action, if not any thing else, did in fact persist throughout the year 1945. And the natural consequence was felt by the traders and consumers more strongly towards the end of this year, particularly in the Province of Bengal. Accumulation of stocks at centre, aggravation of yarn scarcity in distant mofussils, tragic death of weaver for want of supply of yarn that fed him and his family so long, are but a few manifestations of the defective distribution in the year 1945 throughout the length and breadth of Bengal. It can be boldly declared that the tale of this province-wide maldistribution would not have been so told at all, if the

well-considered and concrete suggestions for proper distribution offered from time to time by this Association had been given effect to by the Textile Authorities of this Province. It can hardly be gathered how the authorities concerned can at all expect to successfully carry on and give practicable shape to there schemes unless the trade is taken into confidence. In this connection it may be pointed out that even the All India Handloom Board did attach little importance to the claim of this Association that represents 93 per cent. of yarn trade of Bengal to be properly represented therein. If this Board aspired to do justice to all the provinces in the matter concerned, how its aspiration could reasonably be fulfilled by setting aside the claim of this Association merely on technical ground, reason fails to understand at all.

In conclusion, it has got to be admitted that India, especially Bengal, owes her gratitude to the year 1945 in as much as it brought to light the cruel truth of three aspects :

- (i) That decontrol causing thereby the revival of normal trade channel can no more be expected in near future.
- (ii) That authorities can hardly be persuaded to act upon the principle of cooperation and confidence.
- (iii) That traders will have to bear the responsibilities of their country's economic future in the face of obstinate autocratic handling of the whole affair.

Yet let us hope that 1945 will make 1946 wiser by the pearls of wisdom and hard-earned experience in matters political, social and economic of this world, especially our country and this province.

The Fifth Annual General Meeting

The Fifth Annual General Meeting of the Calcutta Yarn merchants' Association was held on Saturday, the 2nd June, 1945, at 3 P.M. at the premises of the Association at 89, Cross Street, Calcutta, with Mr. Chhaganlal Ladhabbhai presiding. 130 Members were present on the occasion.

At the outset the Honorary Secretary read out to the members present the notice convening the meeting. The President Mr. Chhaganlal Ladhabbhai then delivered the Presidential Address (appended hereto in Appendix A). After the address the President asked the Honorary Secretary to move the adoption of the Annual Report and the Audited Accounts and Balance Sheet for the year 1944. While moving the adoption of the Annual Report and the Audited Accounts the Honorary Secretary gave in his foreward a brief description of the activities of the Association during the past year. He also read the important portions and items of the Annual Report to the members present for information. Thereafter on the resolution of Mr. H. K. Jhapharia, the Honorary Secretary, the Annual report of the Association was confirmed and adopted unanimously. The Audited Accounts of the Association and Balance sheet as moved by the Honorary Secretary were also unanimously adopted.

Confirmation of the Proceedings of the Extra-ordinary General Meeting held on the 28th October, 1944.

The proceedings of the Extraordinary General Meeting held on the 28th October, 1944, were then read out by the Honorary Secretary and the same were duly confirmed.

Mr. H. K. Jhajharia.
Mr. Chhaganlal Ladhahbai.
Mr. Probodh Chandra Paul.
Mr. Girdhardas Deoji.
Mr. Alimohamad Tar Mohamad.
Mr. Ramkaran Parsrampuria.
Mr. Ahmed Essack.
Mr. Adam Hasan.
Mr. Lakshmidas Purshattamdas.
Mr Biswanath Paul.
Mr. Lakshmi Narain Shukla.

Appointment of Auditor

Mr. Luxman B. Jha, G.D.A. B.Com. R.A. (*Bombay*) was re-appointed the Auditor for the next term on a remuneration of Rs. 100 - only.

Requisition Meeting

The letter from a few dealers asking to call Requisition Meeting regarding the distribution of 233 bales was placed in the meeting and it was decided that the matter should be dealt in the Extra-ordinary General Meeting to be called for the purpose.

With a vote of thanks to the Chair by Mr. Madanlal Patodia the meeting then terminated amidst prolonged ovation.

Activities of the Association

THE TEXTILE SUB-COMMITTEE MEETINGS

and

THE NEW SCHEME OF DISTRIBUTION

With a view to facilitate Yarn distribution in this Province several meetings of the Textile Sub-Committee were held at the office of the Additional Director General, Consumer Goods and the Directorate of Textile in which some of the members of the Managing Committee of this Association took active part and extended their hearty co-operation.

The first meeting of the Textile Sub-Committee was held on 1st November, 1945 at the office of the Additional Director General, Consumer Goods, the minute whereof are given below :

Minutes of the Meeting held at the office of the Additional Director General of Consumer Goods on 1st November, 1945.

Present : Mr. K. F. G. Stronach (*A.D.G.C.G.*)
Mr. C. A. Buxton (*A.D.T.H.*)
Mr. L. W. Harris (*D.D.V.Yarn.*)
Mr. R.Scotson of Messrs. Anderson wright & Co.
Mr. W. R. Greene of Messrs. Ewing & Co.
Mr. Chhaganlal Ladhahbai of Messrs. Vasanji
Topan Madhowji.
Mr. Hirji Thackersey of Messrs. Sunderdas
Thackersey & Bros.
Mr. Tulsidas Khatau of Messrs. Jethabhai
Khatau & Co.
Mr. Girdhardas Devji of Messrs Mulji
Girdhardas.
Mr. Radhacharan Roy } of Calcutta Yarn
Mr. Jotindra Mohan Dey } Merchants'
Association

Mr. Stronach—Asked Mr. Scotson if he would explain to the Meeting his proposed Scheme for distribution of yarn in Bengal through trade channels.

Mr. Scotson—In contemplating an alternative scheme to the one now in operation whereby the normal trade channels could be utilised any revision was complicated by there being more than a hundred quota holders whose co-operation must be sought. Further in the mofussil some dealers had created an unfortunate situation by having been belived to be involved in black market transaction in the times before the present yarn distribution scheme came into force. This had prejudiced the minds of some of the local officers against the local dealers once more distributing the yarn to the weavers and it would be necessary to safeguard the *bona fide* dealers that they were in no way penalised by the faults of a few. His scheme was in brief that :—

- (1) Quota holders would continue to report the arrival of consignments to the Director to Textile as at present.
- (2) The Director of Textiles would issue a permit on the Quota holder requiring him to consign a specific quantity to a named Sub-Division.
- (3) Meanwhile the Quota holder would have sold his yarn to a local wholesaler and on receipt of the permit from the Director of Textiles, he would pass the instructions to the wholesaler for compliance.
- (4) The wholesaler would than consign to the local Sub-Divisional Officer and send the railway receipt or bill of lading made out in the name of the local officer to his dealer in that Sub-Division.
- (5) On receipt of the railway receipt or bill of lading the local dealer would obtain the endorsement of this local officer who would be able to take into

account details of the yarn that had reached his Sub-Division.

- (6) The local officer will then proceed to distribute by permit or whatever system he had in operation to ensure that the weavers received fair treatment.
- (7) The local dealer will receive the retailer's selling price in respect of the yarn sold by him.
- (8) The local dealer would be required to retain at the disposal of the local officer all yarn for a period of one month from the date of receipt.
- (9) It was incumbent on the local officer to ensure that during this period he made necessary arrangements for purchase by the weavers.
- (10) If after one month there were any stocks lying with a dealer, he would be in order to notify the local officer of such stocks and proceed to dispose of them to any one at any price.
- (11) There would be no action against the local dealer in respect of such sales.
- (12) In addition to the margins now being received by the various parties i.e. Quota holder, Wholesaler, and Retailer, an addition charge of annas six would be allowed per 10 lbs of yarn to cover the cost of freight, handling and finance for the time between which the yarn reached the Quota holder and received by the local dealer.
- (13) The freight expenses incurred up to the time of the purchase of the yarn by the Quota holders would continue as an additional charge.
- (14) As to whether the wholesaler in Calcutta or the mofussil received this remuneration of As. -'6/- per 10 lbs. would be a matter to be decided between

the two parties in each individual case as various dealers had various methods of selling e.g. some sold to the mofussil dealer in Calcutta, some sold to the dealer in his place of business in the mofussil.

President, C. Y. M. A.—Considered that there would be some practical difficulties.

Mr. Scolson—Agreed that this would be so, but that the Scheme as had outlined was purely a general outline and he felt certain that all practical difficulties could be overcome when the Scheme was developed.

Mr. Stronach—Confirmed that yarn would continue to be frozen as now by the Textile Directorate, but that concerning distribution he would be prepared to take the advice of a sub-committee as to the distribution of the yarn i.e. what counts should be sent to which places. He stated that the Sub-Divisional Officer must be allowed one month in which to give disposal instructions to the local dealer, but that he approved the principle that the dealer would be able to sell to whom he wished and at what price he could negotiate, any yarn that was not disposed of within one month from date of its receipt in the Sub-Division. He added that the sanction of the Textile Commissioner would be necessary for this proviso to be put into practice.

Mr Buxton—Enquired whether it was intended that distribution should continue to be on the present figures for each Sub-Division that had been calculated on a basis of the number of working handlooms reported to be in each Sub-Division, or as advised by the proposed Sub-Committee.

Mr. Stronach—Stated that in his view the advice of the Sub-Committee shall generally control the distribution of

quantities and counts particularly for those sub-divisions where any difficulties were created by non-payment of accounts by the local dealers etc. He explained to the meeting that we are now supposed to be receiving 6114 bales of yarn for the production of the handloom cloth and that this would be in counts of $13\frac{1}{2}$ and over. He stated that it was not anticipated that there would be a ready sale of low counts to the handloom weavers particularly those as low as $10\frac{1}{2}$ s and it was under consideration as to whether these low counts should be refused. He also wished to bring to the notice of all concerned that he viewed the present scheme as an offer by the trade to assist in the distribution of yarn in an endeavour to eliminate the delays that had occurred in distribution under the present procedure of employing a handling agent. He too was dissatisfied with the present system and affirmed that if the trade does not wish to respond to the proposal now put before them, other action would be necessary and it may result in the appointment of more handling agents and the continuation of the present distribution system.

President. C.Y.M.A.—What happens when there is no dealer known to a wholesaler in the place to which he has been asked to consign yarn.

Mr. Scotson—Suggested that as in pre war days such difficulties were overcome by the employment of challaniwallas etc., he saw no reason why such procedure could not again be adopted.

Mr. Stronach—Read out telegram he proposed to send to the Textile Commissioner asking for his sanction to the proposal that the local dealer would be permitted to sell any yarn that remained undisposed of for more than a month from the date of its receipt by him in the mofussil to any one at any price.

It was agreed that the telegram should be sent and that pending a reply the Calcutta Yarn Merchants' Association

should call a meeting of its members for discussion of the proposed Scheme.

Secretary, C.Y.M.A.—Offered to report the views of members of the Association by Tuesday next and the meeting was then adjourned until 3 P.M. on Tuesday next (6th November, 1945) when the Association's views would be examined and discussed.

Accordingly the Second Meeting of the Textile Subcommittee was held on the 6th November, 1945 at the office of the Additional Director General of Consumer Goods, the proceedings whereof are given below :—

**Minutes of the Meeting held at the office of the Additional
Director General of Consumer Goods on
6th November, 1945.**

Present. Mr. K. F. C. Stronach (*A.D.G.C.G.*)

„ C. A. Buxton. (*A.D.T.II*)

„ L. W. Harris, (*D.D.V.*) *Yarn.*

R. Scotson of Messrs Anderson

Wright & Co.

„ W. R. Greene of Messrs. Ewing & Co.

„ Chhaganlal Ladhahbai of Messrs. Vasanji

Topan Madhowji.

„ Hirji Thackersey of Messrs. Sunderdas

Thackersey & Bros.

„ Tulsidas Khatau of Messrs. Jethabhai

Khatau & Co.

„ Girdhardas Devji of Messrs. Mulji

Girdhardas

„ Radha Charan Roy, } of Calcutta Yarn

„ Jatindra Mohan Dey, } Merchants'
Association.

Mr. Scotson referred to the meeting held on the 1st of November and said that representations have been made to the effect that yarn should not be consigned to the mofussil by Quota holders but by the Wholesalers. He suggested therefore that yarn should be sold forward by Quota holders to the Wholesalers who would arrange despatches to their distributors in the Districts. Yarn so sent would be under permit from the Textile Directorate.

It was pointed out that certain difficulty may arise with the small Quota holders receiving 3 or 1 bales of yarn monthly in disposing of this yarn to the Wholesalers. Mr. Buxton suggested that such Quota holders may be permitted to distribute yarns received by them in Calcutta.

Enlarging upon this scheme it was explained that the Quota holder would give a list of his Wholesalers before any yarn received by him was frozen. He would be permitted to take forward contracts with such Wholesalers the yarn would then be frozen against the Wholesalers concerned. Mr. Scotson suggested that when permits are issued on the wholesalers a copy should be sent to the Quota holder (who will be holding the yarn on behalf of the wholesalers). He further suggested that the S. D. O. should be informed that yarns have been sent to a certain dealer in his district. He would then be responsible for equitable distribution within the district.

Referring to the suggestion that wholesalers be responsible for distribution to districts, Mr. Buxton said that he could not agree with these proposals for the reason that yarn coming into Bengal was of varied counts, a high percentage of which was quite unsuitable for the purpose for which it was being sent i.e. handloom weaving. Unless distribution was controlled by the Directorate certain districts would receive their full requirements of high count yarn while other districts should be deficient.

Mr. Stronach said that this position would not arise as a small committee would be formed to discuss yarn distribution. The final authority for such distribution would be the Director of Textiles.

Mr. Buxton asked the Secretary of the Calcutta Yarn Merchants' Association what procedure for distribution would be adopted in districts where the wholesalers had no agents. Secretary, Calcutta Yarn Merchants' Association confirmed that all wholesalers had arrangements for distribution in all districts.

Mr. Scotson asked how quickly the new method of distribution could be put into operation by the members of the Calcutta Yarn Merchants' Association. The Secretary replied that he could give no definite period and would refer the question to the Association. Mr. Scotson stated that as far as the firms represented by him and the Madura Agents were concerned they would be ready to commence distribution within four or five days of being informed.

Secretary, C. Y. MA. then raised the question, of which wholesalers should be allowed to handle this yarn distribution stating that many wholesalers who were in business prior to the war, had, for various reasons, not been engaged in the yarn business during the basic years.

Mr. Scotson in reply said that he was in favour of bringing those dealers into the Scheme.

A. D. T. II was asked to supply a list of all quota holders' wholesalers.

Referring to the stock of yarn now lying with quota-holders and Government nominated agents and its distribution, Mr. Buxton suggested that when the Sub-Committee

had been formed, stocks should be reviewed month by month and suggestions offered as to what mills should be asked not to send yarn to the province.

Referring to the telegram sent to the Textile Commissioner on the 1st of November requesting the adoption of the proposed scheme by the Textile Commissioner, Mr. Stronach said that no reply had yet been received.

The third meeting of the said Sub-Committee then was held on the 21st December, 1945 at the office of the Additional Director of Textiles (II), the proceedings whereof are given below :

**Minutes of the meeting held at the office of A.D.T. II
on 21st December, 1945.**

Present : Mr. G. E. Elder, Ewing & Co,

„ W. R. Greene, Do.

„ G. J. K. Hook, Anderson Wright & Co.

„ Chhaganlal Ladhabhai, Vasanji Topan
Madhowji & Co.

„ Hirji Thackersey, Sunderdas Thackersey
& Bros.

„ Tulsidas Khatau, Jethabhai Khatau & Co.

„ Krishnadas Girdhardas, Mooljee
Girdhardas.

„ Jotindra Mohan De, Secretary, C.Y.M.A.

„ Radha Charan Roy, President, C.Y.M.A.

„ C. A. Buxton, A.D.T. II

„ L. W. Harris, D.D. (Yarn)

1. The minutes of the last meeting were read and discussed.

2. It was agreed that the decision of the Textile Commissioner that yarn could not be sold at any time at higher than the ceiling price specified by him should be accepted.

3. In order to assist the trade in disposing of the yarn and to safeguard as far as possible against any delay in sale's due to dilatoriness on the part of Sub-divisional Controller in issuing permits, it was decided to request that the Commissioner issue a letter of instructions to all his officers requiring them to ensure that permits for the whole of the yarn be issued within three weeks of its arrival in the mofussil and that failure on the part of an officer to take such action would be subject to disciplinary action.

4. As the Meeting was, generally representative of the Quota holders rather than the Wholesaler of the yarn trade, it was considered most desirable that the Yarn Merchants' Association should have the opportunity of meeting to discuss this point before the finalised scheme be submitted to Government and the President undertook to call a meeting at the earliest possible date and to place these minutes before the Wholesalers and to inform the parties now assembled as to their decision.

5. Concerning losses in transit, damaged bales etc. it would be necessary under the Scheme for the normal commercial practices to pertain and the parties would assume responsibility for the yarn as they take it over.

6. It was agreed by all present that the new Scheme could be put into operation 15 days after the final acceptance of the revised proposals.

7. The following names submitted for proposal as members of the sub-committee has been accepted by D.G.C.G. :

Mr. G. J. K. Hook, Messrs. Anderson Wright & Co.
Mr. Hirjee Thackersey, Messrs. Sunderdas
Thackersey & Brothers.
Mr. Nandkishore Jhajharia.
Mr. Radha Charan Roy, President, C.Y.M.A.
Mr. Jotindra Mohan Dey, Secretary, C.Y.M.A.
Mr. Changanlal Ladhabhai, Messrs. Vasanji Topan
Madhowji & Co.

In addition to the above, the name of Mr. G. E. Elder representing Messrs. Ewing & Company was proposed for inclusion in the Sub-Committee.

The New Scheme of Distribution as outlined in the Minutes of the aforesaid three meetings of the Textile Sub-Committee were considered by the Managing Committee of the Calcutta Yarn Merchants' Association at its meeting held on the 22nd December, 1945. The President to the Calcutta Yarn Merchants' Association fully acquainted the Committee with the proceedings of the said meetings, especially with that of the meeting held at the office of the Additional Director of Textiles on 21st December, 1945, regarding the New Scheme of Distribution in which the decision of the Textile Commissioner that yarn could not be sold at any time at prices higher than the ceiling prices was specified by the latter. In that meeting it was decided, the President added, that the Commissioner would be requested to issue a letter of instruction to all his officers requiring them to ensure the issue of Permits for the whole of the yarn within three weeks of its arrival in the Mofussil, in default of which the

officers would be, under disciplinary action. The President also intimated that it was considered at that meeting that the Calcutta Yarn Merchants' Association should have opportunity of meeting to discuss the point before the finalised Scheme was submitted to the Government and that the President undertook to inform the decision of the Calcutta Yarn Merchants' Association in the matter at an early date.

On the 14th January, 1946 the Hony. Secretary sent to the Deputy Director of Textiles (V) Yarn, Bengal, the following letter :

"I am directed to inform you that the Scheme of Distribution as outlined in the Minutes of the Meetings held at the Offices of the Additional Director General of Consumer Goods and the Additional Director of Textiles was placed at the Meeting of our Managing Committee held on 11. 1. 46; after discussion the Scheme as finalised in the Minutes of your Meeting held on 21. 12. 45 was confirmed by our aforesaid Committee, which please note."

On the 18th January, 1946. the President, Calcutta Yarn Merchants' Association received from the Deputy Director of Textiles (V) Yarn, the following :

Proposal for the introduction of a Revised Scheme of
Distribution of Yarn throughout Bengal.

OBJECT

1. The object of this Scheme is to return yarn distribution to its normal trade channels i. e. through Quota holder (factor), Wholesaler and Retailer.

2. The elimination of the present system whereby yarn is distributed through a Government Forwarding and Clearing Agent.

3. To facilitate the distribution of yarn on an equitable basis regarding quantity and counts throughout the districts and sub-divisions of Bengal.

PROPOSED SCHEME

1. Yarn coming into Bengal will be reported by the importing agency (Quota holder or Government nominee) to the Directorate of Textiles.

2. When reporting yarn imports, importers will notify to the Directorate of Textiles the Wholesalers to whom yarn will be passed on a basis of forward contracts.

3. Yarn will be frozen against the receiving Wholesaler.

4. The Directorate of Textiles will issue permits on Wholesalers requiring them to consign to a named Sub-Division specific quantities and counts of yarn.

5. The Wholesaler, at the direction of the Textile Directorate, will consign yarn to the local Sub-Divisional Officer and send the railway receipt or the bill of lading, made out in the name of the Sub-Divisional Officer, to his dealer or agent in that Sub-Division.

6. On receipt of the railway receipt or the bill of lading the local dealer will obtain the endorsement of the local officer who will take into account details of the yarn received into his Sub-Division.

7. Distribution within the Sub-Division will be by permit issued by the local Officer on the dealer holding yarn.

8. In order to assist the trade in disposing of yarn and to safeguard as far as possible against any delay in sales

due to permits not being expeditiously issued by the Sub-Divisional Officer or Sub-Divisional Controller all Commissioners to be addressed requesting that they issue a letter of instructions to all local officers concerned requiring them to issue permits for yarn within three weeks of the arrival of the yarn in that district or sub-division, and that officers should be informed that failure on the part of the officer to take such action would be subject to disciplinary action on the part of the Commissioner concerned.

9. The price of which yarn will be sold to the consumer by the local dealer will be the scheduled retailer's selling price.

10. In addition to the margins now being received by the various parties i. e. Quota holder, Wholesaler and Retailer, an additional charge of As 6/- would be allowed for 10 lbs of yarn to cover the cost of freight, handling and finance during the period between which the yarn reaches the Quota holder and is received by the local dealer.

11. All freight expenses incurred up to the time of the purchase of the yarn by the Quota holder will continue as additional charge.

12. The distribution of the As. - 6 - per 10 lbs will be a matter to be decided between the parties concerned i. e. the Wholesaler in Calcutta and the Retailer in the mofussil.

13. Concerning losses in transit, damaged bales etc. under the Scheme normal commercial practices will pertain and the parties concerned will assume responsibility for the yarn as and when taken over by them.

On the 23rd January, 1946, the Deputy Director of Textiles (II) Yarn, issued to (1) Mr. G. J. K. Hook,

•Messrs. Anderson Wright & Co., Calcutta. (2) Mr. Hirjee Thackersey Messrs Sunderdas Thackersey & Bros. (3) Mr. Nandkishore Jhajharia, 160, Cross Street, Calcutta. (4) Mr. Radha Charan Roy, President, Calcutta Yarn Merchants' Association (5) Mr. Jatindra Mohan Dey, Hony. Secretary, Calcutta Yarn Merchants' Association, (6) Mr. Chhaganlal Ladhabhai, Messrs. Vasanji Topan Madhowji & Co., and (7) Mr. G. E. Elder, Messrs. Ewing & Co., the following Circular No. ⁴³⁶ CG TX/YARN/202/46

Sub : Proposal for Revised Scheme
of Distribution.

"With reference to the proposed Scheme forwarded to you under this Directorate No. 211 of the 17/18th January, please refer to para 5 of the Scheme.

It is proposed that this paragraph be revised to read as follows :

"The wholesaler, at the direction of the Textile Directorate will consign yarn to his dealer or agent in the mofussil to whom the railway receipt will be sent."

It is considered that by this method yarn will reach the consumer through direct normal channels which is the aim of this proposed Scheme.

The Local Officer will be informed by the Textile Directorate of actual despatches of yarn to his Sub-Division and this yarn will be automatically frozen by him. It will be necessary *vide* para 6 of the proposed Scheme for the dealers to present railway receipts to the local Officer for endorsement by him before delivery of the yarn can be taken.

Regarding a set period for disposal for the yarn, it may be considered whether it shall be practical to issue

instructions that should yarn not be sold and paid for within 21 days of its receipt into the district, dealers may sell this yarn freely at controlled rates."

Accordingly the Managing Committee of this Association further discussed the Scheme of distribution as outlined in the aforesaid Minutes of the Textile Sub-Committee meetings held on the 1st November, 1945 and the 21st December 1945 and after mature deliberation confirmed the Scheme as finalised in the Minute of the said Sub-Committee meeting held on the 21st December, 1945, at the Office of the Additional Director of Textiles (II) Yarn.

On the 18th February, 1946, again for the fourth time the Textile Sub-Committee met at the Office of the Deputy Director of Textiles (V) Yarn. The proceedings of this meeting are given below as reported in the Minutes :—

Minutes of the Meeting held at the Office of D. D. (V)
Yarn, on 18th February, 1946.

Present : A. G. Elder, Esqr., Messrs Ewing & Co.
W. R. Greene, Esqr., Do
Nandkishore Jhajharia, Esqr.,
Hirjee Thackersey, Esqr., Messrs. Sunderdas
Thackersey & Bros.
Chhaganlal Ladhahbai, Esqr., Messrs. Vasanji
Topan Madhowji & Co.
G. J. K. Hook, Esqr., Messrs. Anderson
Wright & Co.
Radha Charan Roy Esqr., President,
C.Y.M.A.
Jatindra Mohan Dey, Esqr., Secretary.
C.Y.M.A.
L. W. Harris, Esqr., Deputy Director of
Textiles (V)

1. The Sub-Committee were informed that the Government Clearing and Forwarding Agent, Messrs. R. P. Shaha, had been served with notice of termination to expire to-day. They were also informed that consequent on a letter issued by R. P. Shaha a meeting was held on 16th February, 1946, with Director General Consumer Goods, Director of Textiles, Deputy Director of Textiles (V) Yarn and R. P. Shaha, at which R. P. Shaha requested that he be given longer notice. The requests made by Shaha were put before the Sub-Committee :

- (a) that he be given four months' clear notice, during which time he will be the sole clearing and forwarding agent.
- (b) that if it be necessary for the trade to commence operating he should be allowed to handle all yarn above 20s and the trade to handle yarn of 20s and below.

Both these proposals were refused consideration.

2. The Sub-Committee agreed that R. P. Shaha be allowed to continue operating until such time as he has cleared the bales now lying in his godown totalling 295 bales represented by the permits held by him but not collected totalling 1646 bales, plus a further 1500 bales. Bales lying in his godown and bales represented by the permits held by him will be delivered to the consignees already indicated to R. P. Shaha. The 1500 bales will be delivered to Dacca, Pabna and Serajganj. The Sub-Divisional Controllers of these Sub-Divisions will be requested to furnish the names of their local dealers. Shaha will then consign the yarn on *pro forma* invoice to these dealers. The Sub-Divisional Controllers will be informed of such consignments. By this method we shall ensure that further outstanding bills are not incurred by the delivery of these 1500 bales. R. P. Shaha is to clear all

bales and to cease operating by the 15th of March. Any permits lying with R. P. Shaha after that date are to be cancelled and not revalidated. Any bales lying with R. P. Shaha after that date will be frozen and distributed through normal trade channels by wholesalers.

3. Regarding operation of the new system, the trade have intimated that they are prepared to commence immediately. A letter will therefore be issued to all wholesalers informing them that all future yarn received by them from quota-holders will be automatically frozen until such time as distribution instructions are issued to them by this Directorate.

A statement will be forwarded immediately to all quota-holders now holding yarn giving details of the yarn held by them which is not debitable against permits already issued. Quota-holders will then inform this Directorate of the wholesalers to whom they are passing this yarn for distribution. Distribution permits will then be issued by this Directorate.

4. It has been decided by the Sub-Committee that as an experimental measure this Directorate shall arrange rail and river space for yarn distribution to the mofussil. Therefore, when issuing permits to wholesalers this Department will forward a movement programme to the Special Officer, Movements and Storage to arrange transport.

A further meeting of the Sub-Committee will be held after one month to discuss the working of the new scheme and to re-allocate, if necessary, counts and quantities of yarn now being despatched to the various Sub-Divisions.

The Managing Committee, Calcutta Yarn Merchants' Association at its meeting held on the 20th February, 1946 accordingly discussed the aforesaid Revised Scheme of

Distribution and resolved that the constituents of the Calcutta Yarn Merchants' Association be asked to submit a list to the Association stating therein the names of the Sub-Divisions where they had their respective dealers in yarn. On the 27th February, 1946 again the Managing Committee, Calcutta Yarn Merchants' Association, made further deliberation on the New Scheme of Distribution and decided that in order to facilitate the said New Scheme the constituents be asked to immediately submit to the Association a list of the Sub-Divisions where they had their dealers in yarn. It was further decided at this meeting that the members would be asked to send goods to their dealers in moffusil and not to the nominees of the Sub-Divisional Officers of the Districts under the New Scheme of Distribution.

The Textile Sub-Committee meeting held on the 11th March, 1946—an informal meeting

The last of the Textile Sub-Committee meeting during the year under report was held on the 11th March, 1946 at the office of the Textile Directorate to deal with the New Scheme of Distribution so far developed. This meeting was declared informal and hence no minute of the proceedings would be available. Nevertheless, the President, Calcutta Yarn Merchants' Association, acquainted the members of the Committee at its meeting held on the 12th March, 1946 with the discussion that took place in the Textile Sub-Committee Meeting held on the 11th March, 1946 at the office of the Directorate of Textiles. After prolonged discussions in the aforesaid successive meetings held at the offices of the Director General, Consumer Goods and the Textile Directorate maturing into the final approval of the proposed New Scheme of Distribution and its *de facto* progress to some extent by issue of circulars and notices

by the Textile Authorities, the new proposal, put forward at the Sub-Committee meeting held on the 11th March, 1946, of shuffling in again R. P. Shaha as the Government Handling Agent in the region of yarn trade in this province was taken as an utter surprise and the queer move of the Textile Authorities in settling the said proposal was interpreted as detrimental to the interest of yarn trade in Bengal. After mature deliberation then the new proposal made on the 11th March, 1946 in the said Textile Sub-Committee meeting was rejected by majority of votes of the Committee and it was decided that a letter would be addressed to the Deputy Director of Textiles (V) Yarn, requesting the latter to see that the Old Scheme was allowed to operate at least for a couple of months more and in the meantime find out if there was any scope for further modification in the same that might be considered practicable and agreeable to the trade in question.

Accordingly the Honorary Secretary, Calcutta Yarn Merchants' Association, addressed the following letter No. P. T. C/37 143/46, to the Deputy Director of Textiles (V) Yarn, on March 11, 1946 :—

Subject : New Scheme of Distribution

"In regard to the proposal raised in the meeting at your office on the 11th March, 1946, I am directed by the Managing Committee to request you to be good enough to see that the Old Scheme is allowed to operate at least for a couple of months more and in the meantime find out if there is any scope for further modification in it that may be considered practicable and agreeable to the trade in question."

To this request the Association has not yet been favoured with any response whatsoever. Rather the issue

of circular No. ²⁰⁴¹CG/TX/YARN/98/46 on 25th March 1946, by the Deputy Director of Textiles (V) Yarn, nagatived all hopes so long this Association was encouraged to entertain and served a death blow to all the attempts so far made by the aforesaid Textile Sub-Committee at its meetings held on 1st November, 1945, 6th November, 1945, 21st December 1945, and 18th February, 1946, to revive the normal trade channel by eliminating R. P. Shaha, the Government and Clearing Agent from the region of yarn trade in this Province. This circular was served on all the wholesalers and it reads as follows:—

GOVERNMENT OF BENGAL

Department of Civil Supplies, Consumer Goods Division.

No. ²⁰⁴¹CG/TX/YARN/98/46

Directorate of Textiles
21, Chittarenjan Avenue,
Calcutta, 25th March, 1946

To

ALL WHOLESALERS.

Sub : Yarn Distribution
Ref : This Office Circulars No. 1058 dated 19-2-46 No. 1114 dated 20-2-46 and No. 1160 dated 20-2-46.

Dear Sir,

With reference to the above circulars, it has been found necessary to amend the original proposals for a new yarn distribution scheme within the Province of Bengal. The

new Scheme which came into effect from the 16th March will now operate as follows :—

Quota-holders receiving yarn from the mills will pass this yarn physically to their wholesalers and the yarn in turn will be distributed by this Directorate.

Yarn will be transported to mofussil dealers by a Government Forwarding & Clearing Agent and for this purpose a contract has been concluded between Government and Messrs. R. P. Shaha. Wholesalers therefore, will not be responsible for consigning yarn to mofussil dealers but will hand yarn over to the Government Forwarding & Clearing Agent on instructions from this Directorate, against immediate payment.

When issuing permits this Directorate will forward the supplying dealer's copy to the wholesaler concerned, who should immediately prepare bills and present them for payment to the Forwarding & Clearing Agent.

It has been agreed that where practicable wholesalers will be instructed to supply yarn (through the Government Agent) to their normal peacetime mofussil dealers. As yet this Directorate has not received the names of these dealers, all wholesalers are requested to advise this Directorate immediately the names of the mofussil dealers with whom they did business during pre-control years.

Yours faithfully,
L. W. HARRIS,
Dy. Director of Textiles (V) Yarn.

The above circular, it is needless to point out, has taken all force out of and rendered inoperative the Circular No. ¹⁰³⁶CG-Tx-Yarn302-46 of 19th February, 1946, issued by the

Deputy Director of Textiles (V) Yarn, the text of which is given below verbatim :

GOVERNMENT OF BENGAL

Department of Civil Supplies, Consumer Goods Division.

Directorate of Textiles,
21, Chittaranjan Avenue,
Calcutta, 19th February, 1946.

No. 1036
CG/TX/YARN/302/46

To

ALL DISTRICT CONTROLLERS OF CIVIL SUPPLIES
SUBDIVISIONAL CONTROLLERS OF CIVIL SUPPLIES
SUBDIVISIONAL OFFICERS

Sub : Yarn Distribution

Dear sir,

With immediate effect a new system of yarn distribution throughout Bengal will come into force. By the introduction of this system yarn will no longer be distributed by a Government and Clearing Forwarding Agent but will pass through normal trade channels.

The future policy of yarn distribution will be as follows :—

1. Calcutta wholesaler will despatch yarn, under orders of this Directorate, direct to dealers in the mofussil. When issuing distribution permits to wholesalers a copy of the permit will be sent to the S.D.C.C.S or S.D.O concerned. On receipt of the yarn detailed on the permit the S.D.C.C.S or S.D.O will countersign the copy permit and return same to this office for record.

This yarn will be consigned on invoice and *pro forma* Sub-divisional officers will therefore no longer be responsible for the payment of yarn received into their Sub-divisions.

2. Distribution of yarn within the mofussil will continue on its present system i.e. on receipt of the Bill of Lading or the Railway Receipt the consignee will present this to the Sub-divisional Controller or the Sub-divisional Officer concerned for counter signature to enable him to take possession of such yarn. The Subdivisional Controller or the Sub-divisional Officer will issue permits on the local dealer for distribution of the yarn to the weavers. ,

Any yarn lying with dealers for more than 21 days after its receipt by the dealer, for which permits for sale have not been issued by the Sub-divisional Controller or the Subdivisional Officer, may be sold freely by such dealers without permit, provided such sales are made within the Subdivision concerned and at prices not exceeding the ceiling prices scheduled by the Textile Commissioner.

3. In addition to the scheduled prices of yarn as laid down by the Textile Commissioner, an additional charge of annas 6 per ten lbs. of yarn will be made to cover freight between Calcutta and the mofussil (this charge replaces the $3\frac{1}{2}\%$ on ex-mill price now being allowed to the Government Clearing & Forwarding Agent).

4. It will be noted that by this system the Sub-divisional Controller or the Sub-divisional Officer will not only not be responsible for payment of yarn, but neither will he be responsible for any shortage or damage of yarn in transit. Such responsibility will lie with the parties concerned i.e. the consigning wholesaler in Calcutta and/or the receiving party in the mofussil.

5. The scheme at present allows the Calcutta Wholesaler to nominate his own agent in the various districts. A list of these agents will be forwarded to you at the earliest opportunity. It must then be considered by Sub-divisional Controllers and Sub-divisional Officers whether

such agents are acceptable to them as yarn wholesalers within their subdivisions, or whether they wish to nominate other wholesalers.

6. There are at present approximately 2000 bales of yarn lying with the Government Forwarding and Clearing Agent. These bales will be forwarded and distributed under the present system,

Yours faithfully,
Sd. L. W. HARRIS,
Dy. Director of Textiles(V) Yarn.

For the Sub-divisional Controller, Dacca, Pabna and Serajganj.

In addition to the yarn now lying with R. P. Shaha, it has been agreed that he will distribute a further 1500 bales, This quantity will be allocated as follows :

Dacca	...	949 bales
Pabna	...	406 ..
Serajganj	...	145 ..

Will the Sub-divisional Controllers of these Sub-Divisions please inform this Directorate by return the names of the wholesalers in these sub-divisions to whom this yarn should be despatched on *pro forma* invoice."

However at the meeting of the Managing Committee held on Tuesday the 26th March 1946 it was resolved that Mr. J. M. Dey, the Hony. Secretary or any of the Members of the Managing Committee desiring to move or take steps in the matter by approaching higher authorities and influential Members of the Central Assembly at New Delhi be welcome and appreciated in the aforesaid efforts. Thereafter Mr. J. M. Dey, the Honorary Secretary of this Association accordingly issued on 20th March 1946 the following to the Textile Commissioner at Bombay and other high

personnels of the Government of Bengal, Government of India and some Members of the Central Assembly :

"Dear Sir,

I am directed to draw your immediate judicious attention to the following significant fact that tells seriously upon the matters of distribution of yarn in the province of Bengal.

On 1. 11. 45 at the Office of the Addl. Director-General of Consumer Goods, Bengal, it was proposed by the said Officer to form a Sub-Committee to advise and assist the Textile Directorate in the matter of Yarn Distribution in the Province. He further viewed that the present procedure of distribution through the Govt. Handling Agent was dilatory and it entailed much inconvenience. It was further suggested that a Revised Scheme for distribution in Bengal would be formulated and it was decided by all present that the said Scheme could be put into operation after 15 days of its final acceptance. The Scheme was prepared and accepted by the members of the Sub-Committee. The objective of the Scheme was to return yarn distribution to its normal trade channels, i. e., through Quota-holders, Wholesalers and Retailers and the elimination of the present system whereby yarn was being distributed through Govt. Forwarding and Clearing Agent. It was further made clear that the local wholesaler at the direction of the Textile Directorate would consign yarn to his dealer in mofussil to whom the railway receipt would be sent. It was added that by this method yarn would reach the consumers through direct normal channels, which was the aim of this proposed Scheme.

The Handling Agent was served with a notice of termination to expire his handling Agency with effect from 18-2-46 and his other proposals were rejected excepting 1500 bales of yarns which were given to help him in realising

his outstandings and it was decided upon that the Handling Agent would clear all bales and cease operating by the 15th of March, 1946 and if any bales were still outstanding, it would be distributed through normal channels. Regarding operation of the new Scheme, the trade was prepared to commence work immediately.

Thus a streak of light flashed in the hearts of the suffering millions when the Government of Bengal did, in fact, lately introduce a popular scheme of distribution in yarn trade by which laudable efforts had been made to replace the displaced business men by maintaining normal trade channel in the interest of all concerned. We hailed the New Scheme and wished it a success as this Scheme, we thought, would surely redress the grievances of suffering millions engaged in yarn trade and Handloom Industry, by removing the unnecessary meddling of a Handling Agent in the midst. The Chairman, Textile Control Board, rightly recommended that along with relaxation of control measures the normal trade channels should be restored in all the provinces by eliminating the monopolistic trade concerns, which were detrimental to the interest of the merchants in general and also stood in the way of the merchants in establishing their trade relation in the mofussil. It is in the fitness of things to state that merchants should be allowed to revert to their pre-war position in order to keep pace with the increased production of the mills effected by the absence of demand for Defence Department.

But Bengal and her unfortunates, it seems, are destined to suffer. The peculiar way of the authorities has already manifested itself by casting a gloom in the hearts, so recently encouraged by the aforesaid Scheme. The whole Scheme abovesaid it now about to dwindle down into untruth and myth. Which mysterious star has already played its role in this province we are not supposed to

know. But what we know is that the said Handling Agent again finds his way recently in the field of Yarn Trade and the monopolistic greed once more finds its way to suck at the root of life and living of those concerned in the Yarn Trade in Bengal.

In the circumstances stated above may we expect to find an immediate expression of your judicious attention in the matter that will surely render humane service to the suffering millions of this Province.

In this connection it is to be noted that Mr. Jotindra Mohon Dey, the Honorary Secretary met Prof. N. G. Ranga, M.L.A. (Central), Mr. Sarat Chandra Bose, M.L.A. (Central) and others at New Delhi and discussed with them the whole matter regarding yarn distribution in the province of Bengal and its policy as well.

MEETINGS OF THE MANAGING COMMITTEE

The following meetings were held by the Managing Committee of this Association during the year under review. The volume of various activities of the Association stands apparent from the critical digest added to each of the meetings mentioned below

First Meeting

It was held on 9th June, 1945, with an attendance of 12 members. Mr. R. C. Roy took the chair. The matters relating to (1) yarn for Small Fabricators, (2) Operation of Bank accounts, (3) Applications from wholesalers, (4) Applications for yarn from Small Fabricators, (5) Federation of Indian Chamber of Commerce and Industry, (6) Letter from Sri S. V. S. Databya Ousadhalaya, (7) Letters from Messrs. Khaitan & Co. (8) Federation of Piecegoods and Yarn Merchants Association of India, (9) Formation of Sub-Committees and (10) Appointment of Arbitrators were duly considered. As for the retail distribution of yarn amongst the Small Fabricators a Sub-Committee was formed with 6 members with powers to co-opt two others to successfully carry on the work and look after the distribution of profits arising therefrom. Another important feature of this meeting was found in the formation of a separate Sub-Committee with 6 members to look after the profits and equitable distribution of the the same arising out of non-quota yarn received by the nominated agents among the wholesaler members of this

Association. Last but not least, the appointment of 16 members as arbitrators of the Association, is an obvert measure that went to ensure the future cordial relations among the constituents.

Second Meeting

It was held on 4th July, 1945 with Mr R. C. Roy presiding. Eleven members attended and matters relating to (1) Representation of the Association on the Executive Committee of the Calcutta Pinjrapole Society, (2) Federation of Indian Chamber of Commerce and Industry, (3) Messrs. M. Siddique & Co., (4) Letter from Mr. C. A. Buxton, Addl. Director of Textiles and (5) Applications for Membership, received due attention of the Committee. The deliberation upon the question of non-quota agency which was so far confined to Messrs. M. Siddique & Co. only found another forward step in this meeting, as the reluctance and grievances of the said firm put forth here were nothing but a forced advancement in the future development of the Scheme of Non-quota Agency.

Third Meeting

This meeting was held on 7th July, 1945, but adjourned for some unavoidable circumstances.

Fourth Meeting

It was held on 9th July, 1945 with an attendance of 11 members. Mr, R. C. Roy presided. Matters relating to

(1) Messrs. M. Siddique & Co., (2) Interview with Mr. C. A. Buxton, the Addl. Director of Textiles and (3) Appointment of Nominated Agents were given due attention to.

This meeting marked an important development in the Scheme of Non-quota Agency, in as much as on submission of resignation by Messrs. M. Siddique & Co. from their Agency in procurement of Non-quota Yarn from outside this province, 10 Agents in place of the said firm were duly nominated to carry on the aforesaid procurement Agency work on behalf of the Government of Bengal.

Fifth Meeting

Held on 21st July, 1945, with Mr. R. C. Roy in the Chair. Nine members attended and matters relating to (1) System of Decimal Coinage proposed by the India Government, (2) Representation of the Federation of Indian Chamber of Commerce and Industry on the Central Advisory Committee of the Light Houses and (3) Draft Scheme for Non-quota Yarn and participants thereto were considered, the third item being referred to the next meeting.

The observations of this Committee in regard to the proposed system of Decimal Coinage were published in local papers and it is not a small credit, to note, that in the face of objections raised on the point by this Association and others, the Government of India was compelled to abandon the idea of introducing the said system in India by the time.

Sixth Meeting

On 26th July, 1945, it was held with an attendance of 10 members and Mr. R. C. Roy in the chair. The question

on (1) Draft Scheme regarding non-quota yarn and (2) Proposed discussion with Sir Akbar Hydari and party in the matters of yarn was discussed.

The Draft Scheme regarding non-quota yarn that was placed in this Meeting is an important factor in the history of this Association in as much as it provided for the increased activities of a number of Members in the field of yarn beyond this Province.

Seventh Meeting

Held on 1st September, 1945, with Mr. R. C. Roy in the Chair and 9 members attending. (1) The Minutes of the 2nd Meeting of the Federation of Piecegoods and Yarn Merchants Association of India, (2) Letter from Marwari Chamber of Commerce, (3) Letters from Members, (4) Children Home and Hospital, (5) Further supply of yarn for Small Fabricators, (6) Letter from Mr. C. A. Buxton, the Addl. Director of Textiles and (7) matters relating to the discussion with Mr. Krishnaraj M. D. Thakersey, Chairman, Textile Control Board, found due attention of the Members.

The meeting is important in so far as the provision for allowing the basic years' Wholesalers in participating the profits arising out of non-quota yarn, along with the 10 Non-quota Agents already elected by this Association was re-affirmed by Mr. C. A. Buxton, the Addl. Director of Textiles.

Eighth Meeting

Held on 27th September, 1945, with Mr. R. C. Roy in the Chair. Ten members attended. Matters relating to the

(1) Scheme of retail distribution in yarn, (2) Damaged yarn, and (3) Letters regarding relaxation of Control Orders, Freezing of yarn, Accumulation of stocks of lower counts yarn from Agra Mills received through the Nominated agents were duly considered.

In this meeting the Scheme for retail distribution of yarn was submitted by the lately formed Sub-Committee and the same was forwarded to the Textile Authorities for approval. The questions of issuing Permits over frozen yarns and gradual accumulation of stocks of yarn, especially those of lower counts were much discussed and it was decided that unless the time limit was fixed in matters of freezing, the responsibility for the downfall in market-prices and consequent losses would be very grave.

Ninth Meeting

Held on 12th October, 1945 with Mr. R. C. Roy presiding. Nineteen members attended and questions regarding (1) Membership of Federation of Piece goods and Yarn Merchants' Associations of India, (2) Retail Distribution Sub-Committee's recommendation regarding procurement of yarn bales, damaged or otherwise, (3) Permits regarding retail distribution and some letters from the Textile Office and (4) Brokers' petition were considered.

Damaged yarn which so long did not attract the attention of the Sub-Committee was in this meeting considered to be of some use to the Small Fabricators and the same was accepted from the Textile Authorities for distribution purpose. That the revocation of withdrawal of Membership from the aforesaid Federation,

also, went a long way to the solidarity of union among important trade organisations in India stands evident by the well thought decision of this meeting.

Tenth Meeting

Held on 22nd November 1945 with 14 members attending. Mr. R. C. Roy presided. Matters regarding (1) New Yarn Distribution Scheme, (2) Communications with the Member, Distribution Committee of the Textile Control Board and Bombay Yarn Exchange, (3) Wholesalers' Profit and (4) Petitions from Brokers were duly considered.

This Meeting among all others held so far is as much important as it marked out a noble and practicable trend in practice and out-look on the part of the Textile Authorities in Bengal and the wholehearted and out-spoken co-operation extended to the latter by this Association. For the first time during the rigour of Control period the Textile Authorities realised after the cessation of the World War that normal trade channel needed be re-opened and with that in view they proposed to remove the intermeddling Handling Agents from the field of yarn trade. It was in this meeting that this Association attempted to extend its hearty co-operation by the suggestion of allowing the Wholesalers, instead of Quota Holders, the physical possession of goods and their despatch to Mofussil areas where in default of issuing Permits within 30 days the dealers would have the liberty to sell the same on the expiry of the same period without any further restriction upon them. A careful study of these proceedings however will show how far the Scheme, as mentioned in item (1) above, was allowed to develop and operate in future.

That the Brokers did not escape the attention of the Members was manifest here as a Circular was directed to be issued asking the Quota Holders to set apart Re. 1/- per bale for the distribution among their respective brokers from the margin of profit available to the Wholesalers of the basic years.

Eleventh Meeting

Held on 8th November, 1945 with 13 members attending and Mr. R. C. Roy presiding. Questions relating to (1) Confirmation of the proposed new Scheme of distribution of yarn intimated to the Addl. Director General, Consumer Goods, Bengal, (2) Further consideration of the New Scheme and (3) Release of specific yarns of 10 Counts were duly considered.

In pursuance of the introduction of the New Scheme an Advisory Committee was proposed to be formed in the meantime by the Textile Authorities to which five members of this Association were elected to represent. This shows that another forward step was taken both by the Textile Directorate and this Association as well towards the revival of normal trade channel.

The demand made in this meeting for release of yarn of 10 counts also proved to be a marked attempt to find out the sincerity of the authorities concerned in matters of yarn in this Province.

Twelfth Meeting

Held on 19th November, 1945 with Mr. R. C. Roy presiding. Twelve members attended. Matters in regard to (1) Election of a nominee to bring yarn from Central India

and Orissa and (2) Question of inequitable allotments of yarn received by the Nominated Agents in Bengal centre.

In view of the fact that Bengal has all along been (during the Control period) suffering from sheer want of finer counts, the question of exchange of finer counts yarn from Orissa with lower counts from Bengal was discussed in this meeting and the applications were invited from the members who were willing to take part in the endeavour.

Thirteenth Meeting

Held on 27th November 1945 with Mr. R. C. Roy presiding. 11 members were present.

In pursuance of the invitation already accorded, 37 members applied for taking part in the bringing of finer counts of yarn from Orissa and C. I. States and Messrs Ramniklal Nandlal and Bros., were nominated to act as Agents on behalf of the Government of Bengal to bring the said yarn from the aforesaid Province and States.

Fourteenth Meeting

Held on the 7th December, 1945 with Mr. R. C. Roy in the Chair. 10 members attended. The questions of (1) Substitution of Nominated Agents in matter of procurement of yarn from Agra and (2) Retail Distribution among Small Fabricators were discussed and decided.

In order to carry on the work of procurement of yarn from Agra unhampered, Messrs. Satyanarain Shyamsunder were substituted in place of Messrs. Ramgopal Agarwala.

Fifteenth Meeting

Held on 22nd December, 1945 with Mr. R. C. Roy presiding. 11 members attended. Matters relating to (1) Allotment of yarn for retail distribution and (2) New Scheme of distribution as outlined in the Minutes of the Meetings held at the offices of Addl. Director General of Consumer Goods and the Addl. Director of Textiles held on 1st November 1945, 6th November 1945 and 21st December 1945, were duly considered.

In this meeting the decision of the Textile Advisory Committee that the ofussil dealers would have to sell goods at a price not higher than the ceiling prices in case permits were not issued within 21 days by S.D.O. and that the latter would be under disciplinary action in case they failed to issue the same within 3 weeks from the date of arrival of goods in mofussil, was much appreciated and approved.

In this meeting it was also decided that this Association would take active part in giving farewell to Mr. C. A. Buxton, the Addl. Director of Textiles in appreciation of his activities towards the revival of normal trade channel.

Sixteenth Meeting

Held on 11th January, 1946 with 12 members attending. Mr. R. C. Roy presided. (1) The New Scheme of Distribution, (2) the 19th Annual Session of Federation of Indian Chambers of Commerce and Industry at New Delhi and (3) the 2nd Annual General Meeting of the Federation of Piece Goods and Yarn Merchants' Associations of India and their relative matters found due consideration.

In this meeting the New Scheme of Distribution, as finalised in the Minutes of the Meeting held on 21st December 1945 at the office of the Addl. Director of Textiles (11) Yarn, was duly confirmed.

Seventeenth Meeting

Held on 20th February 1946 with 12 members attending and Mr. R. C. Roy presiding. In this meeting the necessity of submitting statements of allotments and monthly returns, so far received by the Association was discussed and a Sub-Committee was formed with four members to look after such statements and returns.

Further discussion in regard to the revised scheme of Distribution of yarn was resumed.

Protest against Sales Tax was also made in this meeting.

Eighteenth Meeting

Held on 27th February, 1946 with 14 members attending. Mr. R. C. Roy was in the Chair. Matters relating to (1) Nominated Agents and (2) New Scheme of Distribution were duly considered.

For uninterrupted continuation of agency work for procuring yarn from Madras Centre Messrs. Lachmi Narayan Co. was nominated in place of Messrs. Dharamchand Keshardeo.

Regarding the New Scheme of Distribution it was decided in this meeting that the members would be asked to submit the list of sub-divisions where they had dealers

in yarn and that they would be further asked to despatch the goods to their dealers in Mofussil in stead of the nominees of the Sub-Divisional Officers.

Nineteenth Meeting

Held on 12th March, 1946 with 12 members present. Mr. R. C. Roy presided. Matters relating to (1) Collection of Yarn from Orissa and (2) New Scheme of Distribution and its developments were considered.

In this meeting a tune of despair was sounded in the discussion relating to the unexpected development in regard to the much coveted new scheme already mentioned. After prolonged discussions in a number of successive meetings held at the offices of the Director General of Consumer Goods and the Textile Directorate maturing into the final approval of the proposed new scheme of distribution and its *de facto* progress to some extent by issue of circulars and notices by the Textile Authorities, the thoroughly new proposal of shuffling in again Mr. R. P. Shaha, the Govt. Handling Agent, in the region of yarn trade in Bengal was taken as an utter surprise and the queer move of the Textile Authorities in settling the proposal was interpreted as detrimental to the interest of yarn trade in the Province. In this meeting, therefore, the new proposal made on 11th March 1946, in the Advisory Committee Meeting held at the office of the Textile Directorate was rejected ; and it was decided that a letter would be addressed to the Deputy Director of Textiles (V) Yarn, requesting the latter to see that the old Scheme was allowed to operate at least for a couple of months more and find out in the meantime if there was any scope for further modification in the same that might be considered practicable and agreeable to the trade in question.

Twentieth Meeting

Held on 26th March, 1946 with 13 members present. Mr. R. C. Roy presided. The questions regarding the (1) New Scheme of Distribution, (2) Submission of monthly stocks and (3) Time-limit on Permits issued by the Textile Directorate were discussed. And it was decided that the Textile Authorities would be asked to restrict the Time-limit on Permit to 7 days in place of 14 days and not to renew or extend the same unless there were unavoidable and extraordinary circumstances.

In this meeting the members took an emboldened step by welcoming Mr. J. M. Dey, Hony. Secretary or any member to take any move in order to undo the evils in matters of distribution in the Province by approaching higher authorities at New Delhi, Bombay and the Central Assembly and its constituents.

Twenty-first Meeting

Held on 16th April, 1946 with Mr. R. C. Roy presiding. 9 members attended. Matters relating to (1) Allotment of 96 bales of yarn of special quality, (2) Selection of 6 retailers for additional wholesalers' licence and other matters in regard to allotment of yarn were duly discussed. In this meeting the Hony. Secretary's activities in New Delhi and the moves he had taken in pursuance of the decision of the Managing Committee were much appreciated.

Twenty-second Meeting

Held on 14th June, 1946 with Mr. R. C. Roy in the chair. 14 members attended. Matters relating to (1) Applications for membership, (2) Statements of Balance

sheets and Income and Expenditure, (3) Letters received from different members in the matter of Non-quota Scheme, (4) Retailers' Margin of Profit as accumulated and lying with Messrs. Calcutta First Colour Dye Works, (5) Margin of Profits that was lying with Messrs. M. Siddique & Co. and (6) Mr. R. L. Nopany's candidature in the Indian Oil Seeds Committee were critically considered.

The special feature of this meeting was marked in the settlement of accounts in regard to the accumulated retailers' margin of profit that was so long lying with Messrs. Calcutta Fast Colour Dye Works. The question of the settlement of accounts with Messrs. M. Siddique & Co. in regard to the wholesalers' margin of profit that was so long lying due from the said firm is no less important as the same found some way to settlement through the intervention of the Textile Authorities.

Twenty-third Meeting

This meeting was to be held on 21st June, 1946, but it had to be adjourned for unavoidable circumstances.

Twenty-fourth Meeting

Held on 25th June, 1946 with 12 members attending. Mr. R. C. Roy took the chair. Matters relating to (1) Retailers' Margin of Profit that was lying with Messrs. Calcutta Fast Colour Dye Works, (2) Wholesalers' Margin of Profit as was lying with Messrs. M. Siddique & Co. and (3) Recommendations of Office-bearers for the next session were given due attention to.

It is a pleasure to note that at this meeting in pursuance of the recommendations of the Retail Sub-Committee the accumulated Retailers Margin of Profit that was so long lying with Messrs. Calcutta Fast Colour Dye Works could at last be directed to be distributed equally among no less than 18 Retailer Members of this Association. How much popular were the office-bearers of the year under review was manifest in the recommendation that was made in favour of almost all of them for the next session. '

Twenty-fifth Meeting

Held on 12th July, 1946 with Mr. R. C. Roy in the chair and 12 members attending. Letters Nos. $\frac{1788}{CG-TX-YARN (P) 126-46}$ and $\frac{1789}{CG-TX-YARN (I) 186-46}$ received from the Directorate of Textiles in the matter of the procurement of non-quota yarn through wholesalers as well as applications for Membership of this Association found due consideration at this meeting.

Twenty-sixth Meeting

This meeting was to be held on 20th July, 1946 but had to be adjourned for unavoidable circumstances.

Twenty-seventh Meeting

Held on 23rd July, 1946 with Mr. R. C. Roy in the chair and 14 members attending. Applications received from many a member in response to office Circular no. 24/26, dated 12th July 1946 as well as the letter recieved from

'Messrs. Calcutta Fast Colour Dye Works in regard to the disbursement of the Retailers' Margin of Profit, received due attention in this meeting. In the last matter the Point of Order raised by Mr. J. M. Dey, Hony. Secretary, is the first of its kind in the history of this Association in as much as it marked out a definite and determined move to keep alive and above all the sanctity and importance of the decision of the Managing Committee to the Calcutta Yarn Merchants' Association.

PROCUREMENT OF NON-QUOTA YARNS

**Messrs M. Siddique & Co., the first Procurement Agents
for Non-quotas.**

Under reference No. CYC 9 S C. dated 21st March, 1945, the Textile Commissioner allotted a revised quota of yarns to this Province and it was found that various supplying mills to constitute the yarn quota of Bengal were without any quota holders. In accordance with the said reference therefore the Additional Director of Textiles asked the Committee of the Association to nominate a firm to receive such yarns from the mills within and outside this Province on behalf of the Government of Bengal. In pursuance of the letter, dated 7th April, of the Additional Director of Textiles, the Committee of the Association nominated Messrs. M. Siddique and Co., of 18 Zakaria Street, Calcutta, to purchase the yarns aforesaid as the Nominated Agent of the Association. It was made clear by the said Officer that the said Nominated Agent would buy yarns at ex-mill price plus the quota-holders' margin and that the margins of profit available for distribution within the Association would be only those profits normally accruing to wholesaler.

In this connection it was decided by the Managing Committee that the said Nominated Agent would receive -/1'6 pies per 10 lbs. bundle as his remuneration and the residual amount of the margin of profit thereof would be distributed among the wholesaler members of the Association, who were asked to submit applications for participations in the profits thus accrued.

• Sub-Committee to look after equitable distribution
of Profits

Accordingly a number of applications were submitted to this Association by the wholesalers expressing their desire to participate in the profits arising in respect of non-quota yarns received by the Nominated Agent of the Association. The Managing Committee therefore at its meeting held on 9th June, 1945, formed a Sub-Committee with the following members to look after the profit arising out of such non-quota yarn and its equitable distribution among the wholesalers :-

- Mr. Radha Charan Roy.
- " Jotindra Mohan Dey (*Convenor*).
- " Madanlal Patodia.
- " Chhaganlal Ladhahai,
- " Abdui Sattar.
- " Ramkaran Parsrampuria.

It goes to the credit of this Association that since the month of April 1945, the said firm of Messrs. M. Siddique & Co. received a total number of 4429 Bales as the Nominated Agent for non-quota yarns. And it may also be noted in this connection that under certain terms and conditions further regulating those contained in Office Circular No. 43 45, a fresh settlement was reached on the 14th September 1946, through the intervention of the Deputy Director of Textiles (V) Yarn between this Association and Messrs. M. Siddique & Co., regarding the Wholesalers Margin of Profit to be made available by Messrs. M. Siddique & Co., to this Association for distribution to Wholesalers who were engaged in wholesale trade during the basic years of 1940-1942, and the members were requested by Circular No. 38 46 to report to this Association on or before the 23rd September, 1946, whether they had

• any wholesale trade during the basic years of 1940-1942 for submission to the said Deputy Director of Textiles (V) Yarn for final approval of the same.

II. Non-Quota Agents and their Participants

In the month of July, however, by a letter dated 5th July, 1945, Messrs. M. Siddique & Co., expressed their unwillingness to carry on as the Agents for non-quota yarns and accordingly ten firms as stated below, were recommended by the Committee of the Association by its letter dated 5th July 1945, to the Textile Directorate to act as Agents for different centres in place of Messrs. M. Siddique & Co. One of these firms, Messrs. Shree Jhajharia & Co., however, resigned subsequently.

The firms are : -

For Madras Centre

Messrs. Shama Ch. Dey, Ram Kristo Dey,
79b, Cross Street, Calcutta.

Messrs. Dharamchand Kesherdeo,
89, Cross Street, Calcutta.

For Bengal Centre

National Traders & Co.
156, Cross Street, Calcutta.

Messrs. Protap Ch. Samiya Kumar Dey,
54, Ramdulal Sarker Street, Calcutta

Messrs. Mansukhlal Mohan Lal,
203, A, Harrison Road, Calcutta.

Messrs. Shree Jhajharia & Co.,
89, Cross Street, Calcutta.

For Cawnpore Centre

Messrs. Haji Ibrahim Kasem Kochinwalla,
18, Amratolla Lane, Calcutta.

For Bombay Centre

Messrs. Haji Ahmed, Haji Essack,
18, Zakaria Street, Calcutta.

For Agra Centre

Messrs. Ramgopal Agarwalla,
7, Sambhunath Mallicks Lane,
Calcutta.

For Delhi & Hathras Centre

Messrs. Shree Laxminarayan & Co.
180, Harrison Road, Calcutta.

III. Non-Quota Scheme

In continuation of the aforesaid letter dated 9th July, 1945, the Hony. Secretary by his letter No. P.T.C. 57 208/45, dated 31st July 1945, sent the following Draft Scheme to the Additional Director of Textiles (II) Yarns, for approval and circulated the same among the members in pursuance of the decision of the Managing Committee at its meeting held on 26th July 1945 :

Draft scheme regarding Non-Quota Yarn

As directed by the Additional Director of Textiles the Managing Committee of the Calcutta Yarn Merchants Association recommended the nomination of 9 firms to handle Non-Quota yarns manufactured by mills situated in Bengal and outside it. The names of the firms are:-

- Messrs. Dharamchand Kesherdeo.
- „ Shyama Charan Dey Ramkrishno Dey
- „ The National Traders Co.
- „ Luxminarayan & Co.
- „ Ramgopal Agarwalla.
- „ Pratap Chandra Dey Amiya Kumar Dey.
- „ Mansukhlal Mohanlal.
- „ Haji Ibrahim Kasem Haji Cochinwalla.
- „ Haji Ahmed Haji Essack.

In order that all the wholesalers in the trade under the membership of the Association may be able to share the benefits arising out of the profits of the Non-quota yarns the Committee recommended the followings scheme :—

1. All yarn dealers having licences under the Cotton Cloth and Yarn Control Order, 1945, and coming under the categories of wholesalers will be eligible to participate under the said scheme.

2. The said firms to handle the non-quota yarns will be named as Nominated Agents and such Nominated Agents will form separate 9 groups.

3. Each group will comprise about six members excluding the Nominated Agent.

4. Application to be membership of the group will be subject to following conditions :—

- (i) They must be pure wholesalers and they should neither be quota-holders nor importers.
- (ii) They must be prepared to deposit money within 24 hours on demand by the Nominated Agent as soon as they will be included with such Nominated Agent.
- (iii) They will be prepared to contribute equally to the funds required by the Nominated Agent for the working of the Agency work.
- (iv) The profit and loss arising out of the particular agency after meeting all necessary expenses to be incurred by the nominated Agent will be equally divided amongst the members of the particular agency.
- (v) Application for participation in the Agency work must be submitted to the Secretary, Calcutta Yarn

Merchants' Association within 7 days of the receipt of the Circular issued by the Association in this behalf.

- (vi) Any dispute arising between any participants and the Nominated Agent will be referred for arbitration to the President of the Calcutta Yarn Merchants' Association whose decision will be binding on both.
- (vii) The nomination or selection of the participants to be attached with any Nominated Agent will be made by the President. Care however must be taken that only those participants are attached to a particular Nominated Agent who have cordial business relations with the Nominated Agent.
- (viii) The participating members will be responsible to the Nominated Agent of the particular Agency and the Nominated Agent will be responsible to the Association and the Additional Director of Textiles for the work of the Agency.

IV. Non-Quota Allotments received up to March, 1946

After carrying on business of procurement for some time the firms of Messrs. Ramgopal Agarwalla and Messrs. Dharamchand Kesherdeo were replaced by the firms of Messrs. Satyanarain Shamsunder and Messrs Shree Laxminarayan & Co. respectively.

The aforesaid Procurement Agents received allotments of yarn from different centres, as per figures below from the month of July, 1945, to the month of March, 1946.

Agents			No of Bales
1.	Messrs. S. C. Dey R. K. Dey ...	...	2651
2.	Messrs. Dharamchand Kesherdeo		
	<i>replaced by</i>		
	Messrs. Sree Lachminarain & Co. on 28-2-46		2605
	(jointly)		

Agents	No. of Bales
3. Messrs National Traders	1988
4. Messrs. P. C. Dey A. K. Dey	875
5. Messrs. Monsukhlall Mohanlall.	930
6. Messrs. Haji Ahmed Haji Essack.	2220
7. Messrs. Haji Fbrahim Kasem Cochinwalla	1688
8. Messrs. Ramgopal Agarwalla, <i>replaced by</i> Satyanarain Shamsunder. on 11-12-45	1528
9. Messrs. Shree Lachminarain & Co. (Delhi & Hathras centre)	604

V. Definition of non-quota yarns and the firms eligible to receive the margin of profit arising out of them

In the letter No 7232 dated 27th August, 1945, the Additional Director of Textiles (II) Yarn, defined non-quota as an *ad hoc* allotment which were admitted to this Province by the Textile Commissioner. He pointed out in this letter that yarns procured at ex mill price under the All India Yarn Distribution Scheme, were quota yarns and the relative margin of profit would therefore go to the hands of the basic years' wholesalers only. As for the Nominated Agents for non-quota yarns he accepted them in spite of the fact that some of them were not being of basic years' wholesalers but directed that the profits arising out of such yarns should be made available to basic years' wholesalers and the same was intimated to the Nominated Agents and their participants accordingly.

VI. One Procurement Agent for Madras Centre

By a letter dated 3rd September, 1945, the Additional Director of Textiles informed this Association that in accordance with the order of the Textile Commissioner

one collecting Agent should be appointed for Southern Zone in place of two, namely, Messrs. Shama Charan Dey and Kristo Dey and Messrs. Dharam Chand Kesherdeo. In reply to that letter the Association pointed out that procurement of non-quota yarns from South India Mills had been working on smoothly and it would not be advisable to disturb its working at the moment and suggested accordingly that both the Agents should be retained. The Textile authorities, however, accepted the view-point of the Association and retained them for the purpose.

VII. Accumulation of huge supply of 10^s as non-quota yarns by the Nominated Agents

In a communication addressed to the Additional Director of Textiles, dated 27th September, 1945, the Committee of the Association expressed their deep concern over huge accumulations of lower counts yarns received under the category of non-quota yarns and requested the authorities concerned not to accept further allotments of such yarns. By a subsequent communication the Association asked the authorities concerned if they held any responsibility for disposal of lower counts if allotted to Nominated Agents on which the Directorate replied in the negative and suggested that the matter of procurement of such yarns would be referred to a small sub-committee to be formed to consider such matters.

Second Margin of Profits

As per directive contained in the Notification No. Y. 106 the Addl. Director of Textiles (II) Yarn authorised the Quota-holders and Importers to sell their goods to the Handling Agent and Permit holders at ex-mill price

plus the margins admissible under column 4 of the Notification No. T.C. (17) 1/45 of the Central Government, dated 2nd February, 1945, i.e. the Quota holders and Importers were permitted to add in their Bill the Quota holders' as well as Wholesalers' Margin of Profit. Further, they were directed to distribute the Wholesalers' Margin to their dealers of the basic years i.e. 1940, 1941 and 1942. In pursuance of the said order the Association issued three circulars thereby requesting their quota-holder members to pass on the margin of profits to their wholesalers of the basic years.

Retail Distribution of yarn to Fabricators and Messrs. Calcutta Fast Colour Dye Works

On a representation to the Textile Authorities it was made clear that many small fabricators or consumers in Calcutta being unable to purchase one whole bale at a time were precluded from submitting their applications direct to the Textile Authorities for fixing up their monthly quota and accordingly the authorities thought it fit to make some allotment of yarns to the Association for retail sale to Small Fabricators in Calcutta. Thus Messrs. Calcutta Fast Colour Dye Works were nominated by the Committee to receive an allotment of yarns containing 241 Bales on behalf of the Association to store them in their godown for distribution to the Fabricators as per permits to be issued by this Association. The said firm was allowed -/1/6 per 10 lbs. out of the margin and that the residual portion thereof was decided to be distributed among the retailer members of this Association. Accordingly, a circular was issued inviting the applications of Retailers for participation in the profits thus to be accrued. The said Nominated Agents Messrs. Calcutta Fast Colour Dye Works received 9236 Bundles of yarns of different counts out of which they delivered to various Fabricators under permits issued by

the Association 7605 Bundles of yarn comprising of coarser counts and the balance 1631 Bundles of different counts were distributed among ten retailer members of this Association. The sum of Rs. 3867-8-6 was standing due from the said firm after deducting their allotted margin of - 1/6 per 10 lbs. bundles. But as the period of storage and disposal of such yarn proved long, it was considered fit that some allowance should be given to the said firm at the time of receiving the accumulated margin from them for distribution among *bona fide* Retailers. It is a great pleasure to note that the aforesaid total due was finally settled at Rs. 3300- and distributed among *bona fide* retailer members in equal proportion.

Retail Distribution of Yarns to Fabricators through Local Retailers

In a Committee meeting of the Association it was decided that a sub-committee be formed to look after the retail distribution of yarns that were to be allotted by the Textile Directorate from time to time and to see towards the distribution of Profits to Retailers arising out of the allotments of yarns for Fabricators. It was thought fit that work of retail distribution should be conducted through more retailers instead of one and a scheme was formulated for the purpose. Subsequently, a circular was issued inviting the names of retailers to conduct the said business and as a matter of fact 18 retailers have since been operating under the said scheme and deriving benefit out of the same. They have received a total number of 19891 bundles of 10 lbs. each of different counts of yarns mostly coarser count, up to 16's and have distributed the same by permits till the month of June, 1946, to various Fabricators numbering 150 every month, the margin of profits arising out of such disposal of yarns by permits of the Association having been appropriated by the respective firms themselves.

The Copies of the monthly statements of distribution of yarns received from the Directorate of Textiles under different count heads and regularly delivered in bundles of 10 lbs. are given below :

**Monthly Statement of Distribution of Yarn received from the Directorate of Textiles
under Different Count Heads for the month of October & November, 1945.***

Counts	6½	10½	12½	14½	16½	2.5	11½	2.10	16	6	12	10
OCTOBER												
Previous balance	...	763	822	18	22	6	...	...	...	...	...	...
Received	500	200	...	...	...	...	...	...
TOTAL	...	763	822	18	522	206	...	...	...	...	...	...
Delivery	...	186	476	18	405	159	...	...	...	...	...	...
Balance	...	577	346	...	117	47	...	...	...	...	...	...
NOVEMBER												
Received	250	200	240	200	...	250	80	...	...	...
TOTAL	...	577	596	200	357	247	101	250	80	...	...	...
Delivery	...	105	594	156	355	239	96	150	1	...	...	...
Balance	...	472	2	44	2	8	5	100	79	...	...	...

* The figures are given in bundles.

**Monthly Statement of Distribution of Yarn Received from the Directorate of Textiles under
Different Count Heads for the Month of December 1945 and January 1946.***

Counts	...	6½	10½	12½	14½	16½	25	11½	210	16	6	12	10
Balance	...	472	2	44	2	8	5	100	79	...	...	...	...
DECEMBER													
Received	...	...	810	...	...	160	...	...	...	200	400	...	...
TOTAL	...	472	812	44	2	168	5	100	79	200	400	...	...
Delivery	...	90	705	44	2	144	...	98	30	199	56	...	...
Balance	...	382	106	...	...	24	5	2	49	1	344	...	...
JANUARY													
Received	...	...	1000	...	...	...	...	250	...	80	...	440	990
TOTAL	...	382	1106	...	...	24	5	252	49	81	344	440	990
Released as per Cir. No. 69-45 (Notification No. 5(c) of 12-12-45													
...	...	382	...	...	...	...	5	...	...	...	344	...	...
TOTAL	...	...	1106	...	...	24	...	252	49	81	...	440	990
Delivery	...	...	830	...	...	24	...	252	40	67	...	392	820
Balance	...	...	276	...	...	...	...	...	9	14	...	48	170

* The figures are given in bundles.

**Monthly Statement of Distribution of Yarn Received from the Directorate of Textiles under
Different Count Heads for the Month of February & March, 1946.***

Counts	...	6½	10½	12½	14½	14½	25	11½	2-10	16	6	12	10
FEBRUARY													
Balance	...		276	...	...	...	.		9	14	...	48	170
Received			1000				.	250	200	400	...		800
TOTAL		...	1276	.	...	...	...	250	209	414	...	48	970
Delivery	..	.	423				...	196	55	225	...	25	53
Balance	853	..	...	...	...	54	154	188	...	23	917
MARCH													
Received	1530	200			...	500	...	400	...	...	120
TOTAL		...	2383	200			...	554	154	588		23	1037
Delivery	1617	136	.			185	134	585		..	55
Balance			766	64			.	369	20	3	...	23	982

* The figures are given in boudles

**Monthly Statement of Distribution of Yarn received from the Directorate of Textiles
under Different Count Heads for the month of April, 1946.**

Counts	Balance Bales Bundles B. F.	Received Bales Bundles	Total Bales Bundles	Delivered Bales Bundles	Balance Bales Bundles
10s	982	42	1024	123	931
			30 ¹		
			1054		
10½s	765	Twenty-one	920	1163	518
11½s	369	Five	250	434	185
12s	23	Four	160	68	115
12½s	64	Five	200	150	114
16s	3	Ten	400	113	290
16½s		Twenty	850	647	203
2/10s	20	...	20	20	...

* The figures are given in bundles.

† Stock brought forward from March.

**Monthly Statement of Distribution of Yarn received from the Directorate of Textiles under
Different Count Hends for the month of May, 1946.***

Counts	Balance		Received		Total		Delivered		Balance	
	Bales	Bundles	Bales	Bundles	Bales	Bundles	Bales	Bundles	Bales	Bundles
10s	931	...	...	...	...	931	...	795	...	136
10½s	518	200	Four	...	...	718	...	566	...	152
11½s	185	...	...	...	...	185	...	185	...	Nil
12s	115	40	One	...	...	155	...	92	...	63
12½s	114	...	...	...	...	114	...	107	...	7
16s	290	240	Six	...	...	530	...	359	...	171
16½s	203	1400†	Thirty-four	...	...	1603	...	805	...	708‡
19s	Nil	610	Fifteen	...	...	610	...	435	...	175
20½s	Nil	600	Fifteen	...	...	600	...	224	...	376

* The figures are given in bundles.

† 1339 bundles actually received, i. e. one bundle short.

‡ It needs be noted that the balance of 16½s bundles is in fact only 707 (Seven hundred and Seven only) in accordance with the goods actually received and not 708 as shown in this statement

**Monthly Statement of Distribution of Yarn Received from the Directorate of Textiles under
Different Count Heads for the Month of June, 1946.***

Counts	Balance Bales Bundles	Received Bales Bundles	Total Bales Bundles	Delivered Bales Bundles	Balance Bales Bundles
10s	136	...	136	77	59
10½s	152	...	152	152	...
11s	...	Twenty 800	800	416	384
12s	63	...	63	40	23
12½s	7	...	7	7	...
16s	171	...	171	171	...
16½s	708	Fifteen 600	1308	1093	215
19s	175	Eighteen 720	895	527	368
20½s	376	...	376	347	29

* The figures are given in bundles

Retailers margin of Profit in local sale of Yarn

In a communication dated 3rd July, the Committee of the Association invited the attention of the Textile Commissioner to the Notification No. T.C (17)1945, dated the 30th January, 1945, and stated therein that in the distribution of yarns to weavers in the mofussil area, the different classes of dealers are appropriating the respective margins provided to them under the said Notification, but in case of distribution of yarns to big fabricators within and around Calcutta, the goods are taken delivery of as per permit by such Fabricators from the hands of the wholesalers with the result that the local Retailers are being deprived of their third margin as allotted to them under the said Notification and as such the Association enquired if the Fabricators could appropriate the margin meant for the Retailers. In reply the Textile Commissioner has stated inter alia in his letter dated 15th July 1946, that if some intermediary dealers find that their interests have not been secured in any particular transaction it is perhaps due to the method of distribution operated by the Provincial Textile Authority and the Hon'y. Secretary, Calcutta Yarn Merchants' Association, should in such a case address his grievances to the Director of Textiles, Calcutta.

Damaged Goods received from Textile Directorate

The Association nominated the firms of Messrs. Laxmidas Purshottamdas and Messrs. Satyanarain Gopikissen to receive the damage and unclaimed yarn allotments offered to the Association from time to time by the Textile Directorate; and since 25th October 1945 till 13th March 1946 the former firm was able to procure 2745 lbs. of yarns from different places on inspection and settlement of price on the instructions of the authorities.

The nominated Agents were advised to dispose of such goods recording the names of the purchasers in their books. No permits were issued for such disposals in view of the damaged condition of goods.

Released Goods of 6½s and below

The Textile Authorities on a particular occasion wanted to dispose of some bales of 6s. and 6½s. through an individual party and invited the suggestion of the Association on which the Hony. Secretary pointed out that such disposal should be made through the Retailers of the Association. Accordingly, 53 bales of yarns were made available to the Association and these were disposed of through the Retail members of the Association.

Exchange of Yarns and

Collection of Yarn from Orissa and C. I. State

Considering the sad plight of Bengal due to acute want of finer counts of yarns that have been denied to her so long, the Hony. Secretary to this association made a personal representation in the Textile Directorate and impressed on the Additional Director of Textiles (II) Yarns the importance of the issue. It is gratifying to note that the said official paid due attention to what miserable lot this Province had so long been suffering from during the last four years of Controls and restrictions. The Hony. Secretary explained how and why Bengal among all the other Provinces of India have made herself prominent in the eyes of the civilized world by exhibition of her achievements in fine arts and industry. It was a pity, he added, that the land of the world famous Dacca and Muslin texture should be denied the finer counts to

maintain the tradition of her past glory and satisfy her present requirements. And the said officer was candid enough to admit that to refuse finer counts to Bengal was to stifle all her attempts at fine arts and industry thereby dealing a death-blow on the cultural spirit of her life. True to his spirit he asked the Hony. Secretary in the middle of November, 195 to elect a nominee for the Association who would bring down finer counts of yarns from Orissa and Central India to Bengal in exchange of proportionate quantity of coarse counts of her own. It was pointed by the Textile Authorities that such nominee must be willing to carry on the said work on a remuneration of - 6 - per 10 lbs. bundles, which will include all expenses of freight from Calcutta to the mufussil towns in Bengal loading unloading and godown charges. It was also made clear that the Nominated Agent will have to purchase yarns at Orissa and Central India states at wholesaler's selling prices and the Railway Receipt of such consignments will be presented to some Calcutta Bank to be purchased by the said Agent. In accordance with the said offer the Association by issuing Circular invited applications from the members to undertake the said job and in pursuance of the said Circular thirty seven applications were received by this Association and in the Committee Meeting of the 27th November, 1945, Messrs. Ramnicklall Nandlall & Bros. were recommended unanimously to collect the primary allotment of yarns from Orissa which was to the extent of 800 B/S and subsequently several other allotments of such yarns were given to the party but the firms could only collect 163 Bales of yarns of finers counts from Puri, Cuttack and Berhampore.

Released Yarn Bales of 6½s and below lying with Non-quota Agents

In a communication, dated 22nd January, 1945, the Association requested the Textile Authorities to ask the

non-quota stockists of released yarns 6½s and below to allot such yarns to the Retailer Members of the Association for distribution among Fabricators, thereby allowing the retail dealers to appropriate margins and to ensure normal trade channels. The Textile authorities replied that they could not issue any permits over goods which were already released.

Cancellation of allotments of Non-quota Yarns after Payment as per Proforma Invoice within 21 days

The Association by a letter dated 1st February, 1946, addressed to the Deputy Director of Textiles drew the attention of the latter to the fact that the Nominated Agents for Madras centres sometimes found to their utter surprise that allotments were cancelled although payment was already made within the specified time and that such goods were distributed in the province of Madras in accordance with the direction of the local Textile Authorities. In replying to the complaint stated above, the said officer pointed out that such cancellation of allotments was being replenished in other ways through the normal quota holders. He further added that the payment against Proforma Invoice was advantageous in view of the fact that the Nominated Agents needed not incur any expenses by appointment of Clearing Agents for transporting goods from the manufacturing centre to Calcutta.

Proposal for inclusion of Britt and usual Brokerage in the definition "Freight"

By a letter to the Director of Textiles the Association urged that the "Britt" or customary charity of six pice and usual brokerage be included in the "Freight" as

defined by the Textile Commissioner in his D. O. No. T. C. S. 1 D 525 of 3rd December, 1945. As the said charges are being accepted and observed by the quota holders and wholesalers as well since time immemorial the officer was further requested in the said letter to exercise his right as conferred upon him by clause 3 of the aforesaid Notification of the Textile Commissioner to issue a general sanction in the form of inclusion of the abovesaid "Britti and Brokerage" within the connotation of "Freight". He was also requested to enlighten the Association if Insurance Charges might be included within the meaning of the said term. In reply to the above the Textile authorities explained that the term excluded the commission and handling charges which the Quota holders might have incurred and that the expression only connoted the expenses directly connected with the carriage of goods. Not being satisfied with the above explanation, the Hony. Secretary again raised the question before the Deputy Director of Textiles and pointed out to him that if some provisions could be made for Brokers in Madras by its Provincial Textile Commissioner, there was no reason why the same could not be made possible in the province of Bengal. It may be noted that in support of his said observation the Hony. Secretary sent to the said officer the relevant Circular of the Provincial Textile Commissioner, Madras, for his perusal and necessary action.

Freezing of Yarns and Time-limit on Frozen Goods

The Association by letters, dated 15th September, 1945, addressed to the Textile Commissioner, Bombay, the Director General of Consumer Goods and the Additional Director of Textiles (II) Yarn, expressed their grave concern over and anxiety for the difficulties experienced by the Merchants in general caused by the inordinate delay in issuing permits

on frozen goods by the Textile Authorities and enquired if there was any time limit for issuing permits on such goods which were lying with the merchants for a long time. The Association further had drawn the attention of the authorities concerned to the huge accumulation of lower counts yarns and asked who would stand responsible and suffer for the loss caused by the depreciation of prices in the goods frozen. It also pointed out that there was no justification why the merchants should be penalised in view of the Freezing Order being thus imposed and maintained by the Government throughout a period longer than either necessary or usual.

Disposal of Frozen goods within a specified Time-limit

In a communication dated 2nd October, 1945, addressed to the Textile Commissioner, Bombay, the Association invited attention of the authorities concerned to the huge accumulation of yarn bales other than finer counts and also to the failure of the Provincial Textile authorities towards an early disposal of the same. In the said letter it was suggested that a time limit of three weeks needed be fixed on frozen goods for disposal and on expiry of the said period the goods should be considered as released. The above view was supported on the ground that a similar time limit was provided in respect of imported yarns. Since the inclusion of paragraph 3 in the Circular No. T.G.12(8)95 of 8th September, 1945, of the Textile Commissioner about the disposal of foreign yarns after 28 days by the importers if they receive no disposal instructions from the Textile authorities is deemed desirable, there is no justification why the same consideration should not apply in case of yarn manufactured in India and lying with the dealers for an indefinite period. It was further added that facilities are extended even to the Indian Mills who were free to distribute their quota of yarns in case their quota holders failed to take delivery of such goods by a certain time-limit.

Telegrams

Subsequently when in the months of March and April, 1946, a huge stock of yarn bales accumulated in Calcutta due to dilatory way of issuing permits of the local Textile Authorities, the Committee was constrained to send on 17th April, 1946, the following Telegram to (1) The Textile Commissioner, Witter Road, Ballard Estate, Bombay, (2) The Chairman, Textile Control Board, Bombay, (3) The Private Secretary to His Excellency the Governor of Bengal and (4) The Secretary to the Government of India, Department of Supply, New Delhi :—

DEADLOCK IN YARN DISTRIBUTION STOP DISPOSAL OF FROZEN YARN BALES BY TEXTILE AUTHORITIES IS NEITHER PROMPT NOR REGULAR IN THE ABSENCE OF ANY SPECIFIED PERIOD FOR ISSUING OF PERMIT STOP MOREOVER FOURTEEN DAYS TIME LIMIT ON PERMIT HELD BY HANDLING AGENTS AND OTHERS AND ITS SUBSEQUENT RENEWAL FOR EXTENSION CREATING UNNECESSARY ACCUMULATION AT CALCUTTA AND AGGRAVATING SCARCITY PROBLEM AT CONSUMING CENTERS STOP THE DEADLOCK IN DISTRIBUTION NEEDS BE REMOVED FORTHWITH IN THE INTEREST OF POOR WEAVERS AND TRADERS.

The said telegrams were acknowledged by the Departments concerned and were referred to the Director General of Consumer Goods, Bengal, for necessary disposal.

Further in a communication on 12th June, 1946, the Committee of the Association drew attention of the Textile Commissioner, Bombay to the address of the Chairman, Textile Control Board, made on 26th October, 1945, in which the Chairman stated that delays in issuing permits to Permit holders should be reduced to a reasonable time if the control was to be effective and suggested that the Central Government should issue directive to all Provincial and State Governments to the effect that the frozen goods in the possession of the wholesale dealers should stand automatically free for sale if no disposal orders

were received by such dealers from the Textile authorities within 30 days from the date of freezing. So, the Committee enquired of the Textile Commissioner if he had issued any directive to the effect over the Provincial and State Governments. In reply to the same the Textile Commissioner referred our letter to the local Textile Authorities enclosing therein their Office Notification No. Cye-2-TL on 9th January, 1946.

Time-limit on Permit

In a letter dated 11th April, 1946, the Committee of the Association drew immediate attention the Deputy Director of Textiles, to the fact of enormous losses, indescribable inconvenience and untold troubles suffered by members due to usual prescription of 14 days' time-limit on permits which was allowed to be extended repeatedly. In order to avoid and do away with the aforesaid hardship, troubles and losses, generally experienced by the dealers in yarns as well as the ever-growing problem of yarn scarcity in distant mofussil, it was urged that in all sense rational, the said 14 days' time-limit deserved to be reduced to a maximum period of 7 days, which on no occasion needed be extended except in extraordinary and unavoidable circumstances. It was further added that in view of unusual delay in issuing permits by the Textile Authorities and slow procedure of delivery taken by the Handling Agents huge accumulation of stock has been created at Calcutta and scarcity problem had consequently been aggravated in the mofussil. Some Correspondence on this subject are given in the Correspondence Section of this Report.

Representation on All India Hand-loom Board

By a communication dated 31st January, 1946, addressed to the Textile Commissioner and Chairman, All India

Handloom Board, the Committee of Association asked for a Prospectus of the said Board and enquired if the proposed Raw Materials Committee has been formed and in reply to the same the Association was intimated that at present two Committees of the Board were functioning, namely, (i) the Raw Materials Committee and (ii) the Marketing and Research Committee and a resolution of the Government of India detailing the functions of the All India Handloom Board was also sent with the letter of the Textile Commissioner. Accordingly the Committee of the Association sent the letters Nos. Tc 5-123-46, Tc-19-632 (H.L.), Tc-19-633 (H.L.), Tc-19-634 (HL) and Tc-19-635 (H.L.) (the contents of which are given under the same caption in the Correspondence Section of this Report) to (1) The Director General, Consumer Goods, (2) The President All India Handloom Board, Bombay (3) The Secretary, Federation of Indian Chamber of Commerce & Industry, New Delhi, (4) The Secretary, Department of Industries and Supplies, New Delhi and (5) The Textile Commissioner, Bombay, seeking representations on the two committees stated above.

Correspondence

During the year (1945-46) under review the Committee had swelling correspondence with the Government both Provincial and Central, the various departments of the authorities concerned in yarn trade of the country, especially this province and different bodies and Associations allied to the interest of the trade in question. As the limited space does not allow us to incorporate all the correspondence into this report, only a small fraction of the same is given hereafter in separate part, a glance at which will make out the volume and character of the activities of this Association during the year.

Circulars

During the year, (1945-1946) under review a total number of fifty two circulars were issued by this Association from time to time. The important services that had been rendered by them to the dealers and consumers in yarn, especially the constituents of this Association, can hardly be exaggerated. Only a few of them are appended hereto in Appendix B.

Holidays

The Committee sanctioned the following holidays to be observed in the office of the Association in addition to those observed in the yarn Market.

Market Holiday		Office Holiday	
Janmastami	1 day	New Year's Day	1 day
Gopastami	1 ..	Good Friday	1 ..
Shivaratri	1 ..	Easter Monday	1 ..
Holi	1 ..	Emperor's Birth Day	1 ..
Id-uz-zuha	1 ..	Kali Puja	1 ..
Id-ul-fiter	1 ..	Dashara	1 ..
Mohurrum	1 ..	Christmas Day	1 ..
Durga Puja	2 days	Mahalaya	1 ..
Saraswati Puja	1 day	Jagadhatrri Puja	1 ..
Sammatsari	1 ..	Dashmi	1 ..
Barabafat	1 ..		
Total	12 days	Total	10 days

PRESS

The Committee heartily thank the management of the local press including the News Agencies, United Press of India and Associated Press of India as well as all other daily newspapers and weekly journals, both English and vernacular for having shown to them the courtesy of giving wide publicity to all Press Messages and Press Communiques issued by the Association from time to time.

Federation of Indian Chambers of Commerce and Industry

NEW DELHI

The following Members of this Association were elected as Delegates to the 19th Annual Session of the Federation of Indian Chambers of Commerce and Industry at New Delhi :

- (1) Mr. Chhaganlal Ladhahbai,
- (2) Mr. H. K. Jhajharia,
- (3) Mr. Madanlal Patodia,
- (4) Mr. Jotindra Mohon Dey,

and the following two draft resolutions were submitted to the aforesaid Federation to be duly moved at its above-noted Session :

RESOLUTION No. I.

“The War having ended, while all the departments of World’s civic, politic, social and economic constitutions have risen up to the occasion to keep pace with the swift transition in the history of man and life, the Federation views with grave concern the attitude of the Government towards this country’s essential demands and her economic well being, as expressed by the most unwise and slow policy in bringing the various economic controls in harmony with the changed conditions already effected.

The Federation is of opinion that the present policy of the Government with regard to the continuance of the controls and the changes they have effected from time to time in the various control measures have not only not helped the country to avail itself of the various opportunities that she could take advantage of and expanded her exports and investments but have prolonged her period of transition and considerably impeded her progress towards the achievement of economic revival and self sufficiency that comes under the purview of the declared scheme of rehabilitation, so urgently needed by this country.

The Federation, therefore, urges upon the Government to rise up to the occasion and undertake a scientific review of the various controls and so regulate them that they would not only take away the elements that have proved restrictive and injurious and created artificial difficulties in the working of the free and normal channels of trade and development, but would accelerate the whole machination in bringing about a total decontrol in no time."

RESOLUTION No. II.

"The Federation fails to appreciate the imposition of new control measures at a time when the country can rightly demand the abolition of the existing controls. However much the plea for continuing the control system might have been shown by focussing the public attention upon the want of balance between production and consumption, it can hardly be denied that the defence requirements having been considerably reduced and the latest stock of cloth and yarn having been showed heavier accumulation than in the preceding year, mills are now much more free to increase her productive activity, if not restricted, and thereby meet the demands of consumers and contribute to speedy expansion by exportation. It is high time also that the Government should facilitate normal trade channels by

helping necessary importations and reinstating the dislocated traders and business men in this country. To undo all evils, the country so long suffered, it is incumbent upon the Government that it should come forward now with that attitude and sympathy and co-operation as would help the traders and consumers to get back their normal modes of life and transactions. The Federation, therefore, demands most emphatically that the Government will not fail to realise the desirability of taking the trade and industry into confidence and consult them on every occasion so as to redress the grievances of both the consumers and traders and thereby contributing to the cause of the economic future of the country."

Mr. Jotindra Mohon Dey, Hony. Secretary, attended the Session of the aforesaid Federation as one of the Delegates from this Association.

Federation of Piecegoods and Yarn Merchants' Association of India

BOMBAY

The following Members of this Association were elected as Delegates to the 2nd Annual General Meeting of the Federation of Piecegoods and Yarn Merchants' Association of India, Bombay :

1. Mr. Hirjee Thackersey,
2. Mr. N. K. Jhajharia,
3. Mr. Jotindra Mohon Dey,
4. Mr. Tulsidas Khatau,

and the following draft resolution was duly submitted to be moved at the said meeting of the Federation :

DRAFT RESOLUTION

"As the War having ended, the rigorous stringency of Control Orders that have already served their purposes, does not find proper justification any more for their existence, that so long told heavily upon the economic well being of this country and put a check upon the future development of trade and commerce, the Distribution Policy of the Government as prevalent in different provinces needs now be revised and necessary modifications be made on the following lines :

- (a) The normal trade channels to be reinstated by eliminating the monopolistic trade concerns.
- (b) The freezing order to be reviewed by fixing some time-limit for disposal of frozen goods sometimes lying with the merchants for a long time, thereby causing unnecessary accumulation of stock and consequential scarcity of cloth.
- (c) The production of mills to be of easily saleable and marketable qualities and the yarn produced in spinning mills must be up to certain counts suitable for utility cloths.
- (d) In view of the cloth and yarn scarcity, export of textile goods need be immediately stopped.
- (e) Provincial cloth and yarn quota should be increased considering the suspension of Government orders required for Defence Department.
- (f) Lastly, the Textile Control Order to be reviewed at the present state of affairs and normal channels of trade to be maintained in the interest of trade and consumers."

Grant of Additional Textile Licence

OR

Licence alternate

I. Grant of Additional "C" Group Licence

Under the New Scheme of Distribution proposed at the Textile Sub-Committee meetings held on 1-11-45, 6-11-45, 21-12-45 and 18-2-46, a Quota Holder was obviously allowed to sell his goods to the dealers of the basic years. But as the term "dealers of the basic years" might include a Wholesaler, a Retailer, as well as a Quota-holder, the Managing Committee sought to clarify the puzzling positions thus held by the dealers of different categories and the Hony. Secretary accordingly addressed the following letter No. P. T C. 29.106.46 to the Deputy Director of Textile (V) yarn on 28-2-46:

"I am directed to request you to be good enough to inform us without delay (i) whether one Quota-Holder can sell his goods, to another Quota-Holder under the New Scheme, (ii) whether the same person or firm may hold Quota-Holder's Licence as well as Wholesaler's or Retailer's Licence at the same time, and (iii) whether the Quota-Holders will have to deal only with the basic-year dealers or with any dealers that may not come under the years basic, under the aforesaid Scheme. "

On 4/5th March, 1946, the Assistant Director of Textiles (III) Yarn responded in the following words by his letter No. 1570/CG-TX-YARN-112-46.

"With reference to the above, I am to inform you the following : --

- (1) That one Quota-holder cannot sell his goods to another Quota-holder under the new scheme.
- (2) That one person or firm may hold Quota-holder's Licence as well as Wholesaler's or Retailers' Licence simultaneously.
- (3) That Quota-holders will have to deal only with the basic-year dealers.
- (4) For further information you may carefully study the Cotton Cloth & Yarn Control Order."

Instead of clarifying the position sought for, the letter above referred to seemed to create further puzzle in the matter of determining the exact positions and definite rights and privileges of the Quota-holders, Wholesalers and the Retailers. The Managing Committee therefore felt constrained to insist upon further clarification in the matter. And the Hon'ble Secretary accordingly submitted a clear-cut and distinct exposition of the law on the issue and a lucid explanation of the whole matter by his letter No. P.T.C 36 137,46 addressed to the Deputy Director of Textiles (V) Yarn on 8th March, 1946, the text of which ran as follows :

"While referring to the three questions, put to us by some of our inquisitive members and intimated to you by our correspondence No. P.T.C/29 106 46, dated the 28th February, 1946, I am directed now to draw your immediate attention to the following considered opinion expressed by the Managing Committee at its meeting

held on the 27th February, 1946, in regard to the subject aforesaid :

That in view of the fact that formerly there was no distinction between a Wholesaler and a Quota-holder and that goods used to pass through normal trade channel to the weavers and consumers and that the Quota-holders were practically selling all the Yarn through all the dealers from manufacturers to consumers, the term "Calcutta Wholesalers" as found in your aforesaid letter cannot and should not exclude Quota-holders. Apart from the question of fact, if due attention is given to the strictest sense of logic and law, the definition of the term 'Dealer' as specially found in the Bengal Cotton Cloth and Yarn Control Order, 1945, in its section 8, clause (p) as well as in clause (p), Section 3 of the Bengal Cotton Cloth and Yarn Control Order, 1946, does not only include in it the Quota-holders and Wholesalers both, but does thereby make out most clearly that "Wholesaler" should be construed in such a broader sense as may include "Quota-holder" in it. The question may arise indeed where is the difference then between a Quota-holder and a Wholesaler. Clause (p) of the said Section 8 of the very same Control Order of 1945, as also clause (p) Section 3 of the said Control Order of 1946, gives a clear answer to this question and therefore it stands obvious that whereas every Quota-holder is a Wholesaler, every Wholesaler is not a Quota-holder.

Now, whereas the policy of the present Distribution Scheme is to restore the normal trade, there is no reason why a Quota-Holder will be excluded for purchasing yarn from another Quota-Holder, provided he had business with him in the basic years 1940, 1941 and 1942.

As regards margin of profit All India Yarn Distribution Scheme allowed dealers to appropriate the margin of profit, described in the Scheme, at stages of the transaction in respect of yarn, and this is evident from Notification No. T. C. (17)1/45. There was no such hard and fast rule in the All India Distribution Scheme that a particular class of dealer would be deprived of one margin or profit during the course of one transaction.

In the present scheme also, it may be noted that there is scope for the yarn purchased by the Quota-Holder to allow margin of profit to another Quota-Holder in respect of the said Yarn and to distribute the same among the dealers in the mofussil.

In the circumstances, this Committee, therefore, recommends that with a view to facilitate the New Scheme as also to restore normal trade channel according to this peculiar nature of business, the Quota-Holder needs be allowed to purchase yarn from another Quota holder in this Province."

On 12 13 March, 1946, the Deputy Director of Textiles (V) Yarn replied to the above letter by his Correspondence No. 1831/CG-TX-YARN-112-46 in the following manner :

"With reference to the above quoted letter, I have to draw your attention to the definition of "Quota-holder" as explained in the Bengal Cotton Cloth & Yarn Control Order. A Quota-holder is one who receives yarn direct from a mill Therefore no party holding a Quota-holder's Licence can receive yarn from another Quota-holder, however, it is appreciated that many persons holding Quota holder's Licence are obtaining small quantities of yarn direct from mills and also obtaining yarn from Quota-holders. Under these circumstances, such persons must be in possession of both Quota-holder's and a Wholesaler's licence.

Will you please inform any of your members now holding a Quota-holder's Licence and wishing to obtain yarn from Quota-holders that they should apply to the Textile Licensing Officer for a Wholesaler Licence, with a copy to this Directorate. I will then forward my recommendation for the issue of such a licence to the Textile Licensing Officer."

Apparently the Deputy Director of Textiles (V) Yarn stood thus committed. He not only appreciated the force of the argument of the aforesaid letter addressed by the Hony. Secretary, Calcutta Yarn Merchants' Association, but admitted in unambiguous language that there were persons in yarn trade who "must be in possession of both Quota-holder's and a Wholesaler's Licence." This Association indeed owes its gratitude to the said Officer as he offered his active co-operation by assurance for recommending cases wherein Quota-Holders would seek to be in possession of Wholesaler's Licence in addition to the Quota-Holders Licence, they were holding by the time.

Relying on his said assurance the Association thereafter issued Circular to all its Quota-holder and Retailer members inviting them to apply for additional Wholesaler's Licence, if they so required. Accordingly lots of applications with the prayer for the grant of additional Wholesaler's Licence reached the office of the Association from time to time; and the Hony. Secretary Mr J. M. Dey and the Officer-in-charge, Mr B. N. Bhattacharyya, M.A., B.L., thereon met the Deputy Director of Textiles (V) Yarn from time to time to get them duly recommended to the Director General, Enforcement and the Textile Licensing Officer. Both the Hony. Secretary and the Officer-in-charge had to seek personal interviews with and explain the nature and character of each individual case to the Director General, Enforcement, Asst. Director General Enforcement, and the Textile Licensing Officer times without

number. And this Association is glad to note with satisfaction that as a result of the active interest taken by the Deputy Director of Textiles (V) Yarn in the matter and the continued and strenuous efforts taken by the Hony Secretary, Mr. J. M. Dey and the Officer-in-charge Mr. B. N. Bhattacharyya, fifty-seven Quota-holder members of the Association were granted each an additional Wholesaler's Licence for the year 1946.

(ii) Grant of "C" Group Licence in lieu of "D" Group

As some of the members of this Association holding Retailer's Licences expressed their desire by this time to have Wholesaler's Licence in lieu of their "D" Group (Retailer's) Licence, the said Officer-in-charge, personally interviewed the Deputy Director of Textiles (V) Yarn and explained to him how the aforesaid members had been suffering from want of regular and adequate supply of yarn and why they intended to surrender their Retailer's Licence only to have a "C" Group (Wholesaler's) Licence instead. The said officer was convinced and agreed to recommend all such cases to the Textile Licensing Officer. An Office Circular was then issued by this Association inviting applications from members desiring to have "C" Group Licence in lieu of "D" Group ones which they were holding by the time. Three members accordingly submitted their applications and they were duly recommended by the said Officer of the Textile Directorate. But the Assistant Director General, Enforcement raised legal objections in granting such Licences to the applicants and clearly stated that as new Licences were not allowed to be issued for the year, such applications could not be entertained at all. Thus again the Officer-in-Charge Mr. B. N. Bhattacharyya, had to personally interview the aforesaid Officer and explain to him the legal bearing on the issue whereby such cases could not be construed as new cases in any sense whatsoever. The said Officer accepted the explanation and

directed the Textile Licensing Officer to grant the above applicant members "C" Group Licence as prayed for by them

(iii) Grant of both "C" and "D" Group Licences to Six Firms

During the same period this Association apprehended some practical difficulties in smoothly carrying on the work of distribution of yarn to Small Fabricators unless some members were allowed to possess both the Retailer's as well as the Wholesaler's Licence. In the meantime the Textile Licensing Officer also notified that no party would be allowed the privilege of having two Licences at a time. The situation was grave and the whole work of distribution to Small Fabricators by this Association was thus seriously threatened. Mr. Bhattacharyya, the said Officer-in-charge, had once again to seek interview with the Deputy Director of Textiles (V) Yarn, the Director General, Enforcement and the Assistant Director General, Enforcement and day to day explain to them the importance of the work of distribution of yarn to small consumers that was being so long carried on by the Association. He had further to analyse and discuss the true implication of Section 10.cl. (2) of the Bengal Cotton Cloth and Yarn Control Order of 1945 and ultimately get the said Officers convinced that there was no real bar in granting such Licences to the applicants, nor the grant of two such Licences could be in any way construed to be in contravention of the provisions of the aforesaid order of 1946. The Deputy Director of Textiles (V) Yarn as well as the Assistant Director General, Enforcement, accepted the said interpretation put forward by Mr. Bhattacharyya and the former Officer by his letter No. ²⁶⁷²CG-TX-YARN-104-46 requested the Calcutta Yarn Merchants' Association to supply his office with a list of a maximum of six dealers, which number was any way considered by him to be sufficient to carry on the

work of distribution to Small Fabricators for the time being. Accordingly at a meeting of the Distribution Sub-Committee to this Association the names of the six members were recommended to the Deputy Director of Textiles (V) Yarn.

And this Association notes with satisfaction that the aforesaid six of its members were granted both the Retailers' as well as Wholesalers' Licence each.

(iv) Additional "B" Group Licence to Non-quota Agents

At this time the additional I. R. P. Director of Textiles issued his Notice No. 702-R A by which all the dealers in yarn desiring to import yarn to this Province were asked to apply for "B" Group Licence for the purpose. This Association accordingly issued Circular to all its Members, who were elected Non-quota Agents by the Government of Bengal, inviting them thereby to apply for such additional Licence and the applications that were submitted in compliance with the said Circular were forwarded to the Deputy Director of Textiles (V) Yarn for proper recommendation to the Textile Licensing Officer in the matter of granting the applicants the additional "B" Group Licences. On due representation by the Officer-in-charge the said Deputy Director of the Textiles recommended the nine Non-quota constituents of this Association to the Textile Licensing Officer.

It may be noted with further credit to the Hony. Secretary and the Officer-in charge to this Association that in the face of vehement opposition of the Textile Licensing Officer on the ground of time-bar, all the aforesaid members were granted the additional "B" Group Licences, so that they might continue to regularly procure Yarn from within and without this Province.

PROTEST

Against Demonetisation Ordinance

The following Telegram was sent to the Finance Member, Government of India, New Delhi, and the Private Secretary to His Excellency the Viceroy, New Delhi, on 17th January 1946 by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"I AM DIRECTED TO CONVEY HERewith THE PROTEST OF CALCUTTA YARN MERCHANTS' ASSOCIATION AGAINST THE ACTION OF THE GOVERNMENT IN DEMONETISING CURRENCY NOTES BY THE SURPRISE CURRENCY ORDINANCE. THESE CURRENCY NOTES OF HIGHER DENOMINATIONS CONTAIN THE PROMISE TO PAY ON DEMAND. THIS ASSOCIATION FAILS, THEREFORE, TO UNDERSTAND ON WHICH LEGAL OR MORAL GROUND EVEN, INNUMERABLE HONEST PEOPLE HOLDING SUCH NOTES ARE PUT TO IMMENSE LOSS AND INDESCRIBABLE TROUBLE. THIS ASSOCIATION CONSIDERS SUCH ACTS ON THE PART OF THE GOVERNMENT TO BE GROSS MISUSE OF SOVEREIGN POWERS. BLACK MARKETEERS NEED BE PUNISHED, BUT NOT AT THE COST OF HONEST AND INNOCENT PEOPLE. FURTHER, THE TIME ALLOWED FOR EXCHANGE IS TOO SHORT AND FIVE OUT OF TEN DAYS HAVE ALREADY EXPIRED WITHOUT THE FORMS OF DECLARATION BEING MADE AVAILABLE. THE ASSOCIATION, THEREFORE, HOPES THAT THE GOVERNMENT SHOULD REALISE THE GRAVITY OF THE SITUATION AND THE EXTENT OF

THE MISCHIEF THAT HAS ALREADY BEEN DONE TO THE SUFFERING THOUSANDS, AND URGES THAT THE TIME FOR EXCHANGE WILL BE FORTHWITH EXTENDED TO AT LEAST SIX WEEKS FOR CITIES AND EIGHT WEEKS FOR RURAL AREAS."

Against Decimal System of Coinage

In a communication addressed to the Government, Mr. Jatindra Mohan Dey, the Hony. Secretary, Calcutta Yarn Marchants' Association expressed the view of the Association regarding a proposal from the Government of India to introduce decimal system of coinage in India making the Indian rupee, like Ceylon rupee to be divided into 100 cents coin. It was stated that the time was not yet ripe for introducing this change in the currency system of India. In the opinion of the Association therefore the proposed system would not be so beneficial in its effects as to justify its imposition over the system which identified itself with the economic fabric of the country and stood the test of all times. Following is the text that appeared in local papers:

"Giving their opinion on the Decimal System of Coinage in India, the Committee of the Calcutta Yarn Marchants' Association state that the proposed system would not be so beneficial in its effects as to justify imposition over the system which has identified itself with the economic fabric of the country and has stood the test of all times. Besides the question of sentiment the proposed system will introduce the change which will have serious repercussions on the economic fabric of the country particularly due to the fact that a large percentage of population in India is illiterate and the standard of living is still too low to warrant any change in the existing coinage system."

Against Sales Tax

In all the leading papers of the city the following text was published :

"A resolution protesting against the Sales Tax was adopted by the Calcutta Yarn Marchants' Associaton at its meeting held on 20th February, 1946. The Association is of opinion that the said Tax will not only tell upon the economic well-being of the poorer public but will stand against the spirit of the war-time announcement and gradually take away its temporary character. As there are other venues of taxation than this sale transaction, the Association urges that the Government will rise up to the occasion and repeal the said Tax in no time."

LAUNCH PARTY

Reception

To

**The President, Federation of Piecegoods and Yarn
Merchants' Associations of India, Bombay**

In pursuance of the decision of the Managing Committee at its meeting held on 1st September, 1945, a joint reception was given to Mr Gordhandas G. Morariji, President of the Federation of Piece Goods and Yarn Merchants Associations of India by this Association along with the Marwari Chamber of Commerce at a launch party held at the premises of the Marwari Chamber of Commerce on Thursday the 4th October 1945. Various problems in relation to cloth and yarn trade and the relative control orders were discussed at this party and Mr. Morariji threw lights on the points raised. He also explained the aims, objects and practical importance of the Federation to which he happened to be the President by the time. While clarifying certain implications of the Control Orders he emphatically declared that grievances might be redressed and difficulties could be overcome through concerted actions offered by one united front of the traders.

.

This party was an all round success and very much appreciated by the honoured guest.

**Farewell Party to Mr. C. A. Buxton,
Additional Director of Textiles, Bengal**

On 27th December, 1945, this Association in pursuance of the decision of the Managing Committee at its meeting held on 22nd December, 1945, amongst others, took the leading part in giving a Farewell Party to Mr. C. A. Buxton, the Additional Director of Textiles, Bengal, at the Great Eastern Hotel, Calcutta. In appreciation of his attempt to revive the normal trade channel and his hearty co-operation as well, extended to this Association from time to time in matters of equitable distribution of yarn and procurement of the same for this Province, this Association organised the Party in the most befitting manner.

Purva Parishad of India-wide fame, founded by its President Dr. Abanindra Nath Tagore, C. I. E., graced the function with its galaxy of artists of international repute.

This Association with the Bengal Hosiery Manufacturers' Association presented to Mr. C. A. Buxton the following Address of Farewell in a silver frame :

"Sir

We, on behalf of our Associations, are assembled here to-day to express our sincerest wishes of welfare to you at the moment of your parting with us. You know, Sir, very well that amidst the heart-rending cries for a morsel of food and a bare piece of cloth to cover her shameful nudity, Bengal now stands with her irony of fate shivering with shame and hunger and trembling on the verge of fathomless abyss, where economic death and industrial disaster await her with ghastly horror. It is needless to add, therefore, that at this juncture the slightest attempt to save her, the feeblest expression of sympathy to soothe her and the faintest encouragement to inspire her can hardly fail to elicit grateful appreciation from her suffering millions.

And you, Sir, at such a critical moment were entrusted with one of such departments, where the burning problems of our industrial life and trade activities eagerly awaited solutions, where the manifold evil and disruptive chaos cried for speedy remedy. Yours was not a happy job, therefore, in the garden of roses. Shangrila could not be had at your askance. we know, as Bengal has long since been groaning under the scarcity and shortage of yarn, due to reduced supply by the mills and the inevitable consequences of the Control Order, as she has been put to a lot of inconveniences for want of fine counts that were allotted in her favour.

But it is your sincerity of purpose that shaped nebula out of the chaos, it is your strength of character that brought about system and discipline in the administration of the Directorate of Textiles, it is your humane sympathy for the suffering dealers and consumers that attempted untiringly at having an increased supply of yarn for this unfortunate province and it is your far-sighted wise policy that always struggled to improve the quality of yarn by the introduction of a system of inter-provincial exchange. Throughout the short term of your office, Sir, we witnessed your untiring zeal to improve the channel of trade by an advanced scheme of distribution and your sincerest endeavour to provide the wholesalers and consumers by redressing their grievances and to replace the displaced sufferers in this realm of yarn trade.

Our gratitude is also due to you for your policy in handling many intricate problems that came across the hosiery industry of this province. Your clear preception and foresight which enabled the hosiery trade and manufacture to carry on through the normal trade channel and your sharp watch over an even distribution of a reduced supply of yarn coming into this province have immensely benefited the consuming public.

Sir, your courtesy, sincerity, sympathy and faith on the trade Associations have contributed to not a very small success in the solution of the problem you faced at the time of your taking over the charge of your office. But, Sir, the bright hopes, once kindled in our hearts by your august appearance in the region of yarn trade, now flicker with the waves of mere expectations, as our hard luck takes you away from us, though with our best wishes that glow with the lustre of our love and gratitude.

May your ideal show the way to your worthy successor, so that our expectations may find their fulfilment and may Almighty vouchsafe you sound health, long life and ever-growing prosperity with peace and solace, we all yarn for."

Mr. Buxton gave a befitting reply to the above address and assured in a nice neat speech that the grievances of the province with regard to cloth and yarn would surely be re-redressed in near future by the Government.

CONCLUSION

While concluding this report we can not but mention the following few points in regard to the Statistics and Yarn Quota of Bengal, as well as the Brokers' and local Retailers' plight under the present system :

•

Defective Statistics

In a Press Note issued by the Civil Supplies Department, Bengal, it was stated that there was discrepancy in the number of hand-loom in Bengal as given in the report of the Fact Finding Committee. The Fact Finding Committee gave 1, 42, 461 as the number of hand-loom in Bengal and estimated the product of hand-loom cloth at 154 million yards in the year. In making an allotment of cloth and yarns to Bengal, the Central Government have accepted 154 million yards of cloth as Bengal's handloom production and have accordingly calculated 7,100 Bales of yarns to be a sufficient allotment. The constant protests, however, from various centres all over Bengal made it certain that the Fact Finding Committee's figure could not be accurate. To eliminate uncertainty as to the number of active looms in the various sub-divisions of Bengal, it was decided by

the authorities to license each loom and after licensing under the Bengal Cotton Cloth and Yarn Control Order, 1946, it has been found out that there are nearly 4,00,000 handlooms in Bengal. We hope, this will serve as a pointer to the authorities, both the provincial and central and make it clear to all concerned how this Province has long been suffering from glaring mistakes in statistics.

In the meeting of the Textile Control Board dated 28th March 1946, the Chairman, Mr. Krishnaraj M. D. Thakersey gave some statistics in respect of production, export and defence requirements from which it has been evident that the production has improved whereas there is reduction in exports and defence requirements.

IN THE YEAR 1945

Mill produced	...	1625 million lbs. of yarn
Against which		
(a) Mills utilised for their looms		1152 million lbs.
(b) Export outside India		13 million lbs.
(c) Defence requirements		25 million lbs.
Less	1190 million lbs.	
Balance	435 million lbs.	

That is equivalent to 1,08,750 Bales of 400 lbs. each available for Hand-loom industry all over India.

If Bengal is to receive 10% of the entire available all India production of yarns for Hand-loom industry, then her quota of yarns should be 10,875 Bales of yarns, although she used to consume to the extent of 14000 bales of yarns in pre-war time. With the increased production of yarn in the mills the yarn quota of Bengal needs therefore be

increased to give specific relief to the poor weavers who have been eking out a miserable existence in these days of yarn scarcity and unemployment ; and further so, in view of the fact that 80% of them are wage earners and most of them are under the absolute control of the master weavers.

Yarn Quota for Bengal and Allotment of Yarns to Weavers

The present approximate yarn quota for Bengal is to the extent of 8000 Bales out of which nearly 5600 Bales are given out towards mofussil handlooms and the residual quantity is distributed among non-spinning mills, Calcutta hand-looms, Fishermen and other Fabricators such as, Gauge and Bandage, Belting, Tape and Sewing Thread Manufacturers etc. The basis of allotment for mofussil hand-looms is taken at 20 Bales per 1000 looms, i.e. 8 lbs. per loom per month, whereas the allotments for Calcutta hand-looms are being made on a basis of more than 100 lbs. per loom per month. The allotment of 8 lbs. per loom per month for mofussil weavers is quite inadequate for them and with this meagre supply of yarn they can carry on only for 3 days and then they have to sit idle for the rest of the month. But what a contrast do we find, if Bengal is compared with Madras on this issue ! In the latter province the allotment of yarns is made on the basis of 40 to 50 lbs. per loom per month and thus the weavers there can work their looms at least 12 days in a month.

What Bengal Needs ?

It is an admitted fact that Bengal as a deficit province stands in dire need of larger supply of finer counts that are being denied to her as if on a matter of

principle. Yarn of finer counts should come to Bengal in profuse quantity. In order to encourage fine weaving in Bengal and also to meet the requirements of yarns for fine bordered dhoties and saris, the yarns under Group IV prove to be an essential commodity for this Province. To deny this is to stifle all her enterprises in finer arts and industry. That the standard in quality of yarns should also be maintained in this Province needs serve a reminder to the authorities concerned.

Local Retailers

In the matter of distribution of yarn to local Fabricators and non-spinning mills as per permits issued by the Textile Authorities, we find that such permit holders, in fact, are appropriating the third margin allotted to the Retailers under the All India Yarn Distribution Scheme. The local Retailers carrying on business in Calcutta are deprived of their legitimate margins which are virtually taken up by the consumers of yarns as stated above. So, necessary steps should also be taken up by the authorities concerned to maintain such Retailers in the chain of distribution, thereby allowing yarns to pass through them to ensure proper distribution.

Brokers

The Provincial Textile Commissioner, Madras by a Circular Letter No. 2 Dis. No. 38553-G-45 dated 31st January, 1946, has sanctioned the brokers' commission and stated that it was permissible to pay brokers a remuneration not exceeding one-half per cent of the maximum price of cloth or yarns which was the subject matter of sale. Under the circumstances we find no reason why the brokers' commission should not be allowed in this

province too, when it is allowed in other province. Further, although these brokers have been asked here to take out licences under the Bengal Cotton Cloth and Yarn Control Order, 1946, it is surprising that no such provision has been made for them in the said Order as may entitle them to have their legitimate share in the yarn trade that fed them so long in pre-war days.

We hope our concluding remarks as stated above, will not fail to attract the kind and judicious attention of the Authorities, in whose hands lie the present and future of Bengal and her ever suffering unfortunate millions. And last but not least, this Committee believes that the sincere and earnest co-operation, always offered by the Association as well as the remarks and suggestions submitted in this Report on behalf of the yarn merchants will be acknowledged, accepted and appreciated in deserving spirit by the Government and its responsible officials as well.

Jotindra Mohan Dey,
Hony. Secretary

Radha Charan Roy,
President.

ACCOUNTS

The Calcutta Yarn

BALANCE SHEET as at

FUNDS & LIABILITIES	Rs	As	P.	Rs	As	P.
General Reserve						
Balance at credit as per last Account	18,715	8	8			
Less Income & Bengal F. Taxes paid	259	2	0			
	18,456	6	8			
Add Surplus for 1945 ..	2,992	0	6	21,448	7	2
General Relief Fund						
Balance at credit as per last Account ..				13,340	14	6
Deposit						
For Arbitration Fees ...				64	0	0
Donations						
Specified to meet the expenses for Mr. Buxton's Farewell party	941	0	0			
Less Expenses exceeding the sanctioned amount by the Managing Committee ...	36	0	0	865	0	0
Total Rs. ...				35,718	5	8

I report that I have examined the Balance Sheet as at 31st December 1945, as above set forth, and the Income and Expenditure Account for the year ended that date, annexed herewith, of The Calcutta Yarn Merchants' Association with the books and Vouchers certified by the Hon' Secretary, and have obtained all the information and explanations I have required. During the year under review 500 copies of a Book, viz., "All About Textiles & Control Orders" written and compiled by Mr. J. N. Verma, M.A., were printed and published, many copies of which were distributed free of cost as complimentary. Net sale proceeds of the Books sold and the receipts for advertising matter inserted in the Book are shown in the Income and Expenditure Account. Books of Account as previously reported are kept on the Cash System. In my opinion, the Balance Sheet and the Income and Expenditure Account are drawn up in conformity with the law, and such Balance Sheet exhibits a true and correct view of the state of affairs of the Association as at 31st December 1945, according to the best of my information and explanations given to me and as shown by the Books of the Association. Books of Account as required by law have been kept by the Association.

Calcutta, 7th June, 1946.

Sd. Jotindra Mohan Dey,
Hon' Secretary

Sd. Laxman B. Jha,
Registered Accountant.

Merchants' Association

31st December, 1945.


ASSETS	Rs.	As.	P.	Rs.	As.	P.
Furniture @ Cost						
As per last Account ...	2,232	10	6			
Purchased this year ...		385	0 0			
		2,617	10 6			
Less Depreciation to date ...		547	10 6	2,070	0	0
Advance To Staff				25	0	0
Suspense Account				27	9	0
Cash & Bank Balances						
Cash in hand ...	61	1-				
The Central Bank of India Ltd. :-						
Current Account						
Rs. 3,237-15-2						
Savings Bank A/c.						
30,295-15-0	33,533	14	2	33,595	12	8
Total Rs.				35,718	5	8

Sd **R. C. ROY,**
President

The Calcutta Yarn

Dr.

INCOME & EXPENDITURE ACCOUNT

	Rs.	As.	P.	Rs.	As.	P.
To Office Rent, Light & Fan...				893	0	0
„ Salaries, Wages & Bonus ...				7,526	9	3
„ Stationery & Printing ...				1,657	5	3
„ Local Conveyance ...				39	11	3
„ Telephone Charges ...				324	4	0
„ Revenue Stamps and Postage & Telegrams ...				290	14	6
„ Periodicals & Publicity ...				827	6	0
„ Audit Fee for 1944 ...				100	0	0
„ Commercial Chambers Affiliation Fees				650	8	0
„ Entertainment Expenses				195	8	6
„ Mr. Buxton's Farewell Party Expenses				530	0	0
„ General Charges ...				1,086	12	3
„ Irrecoverable Advances written off ...				20	0	0
„ Printing & Publishing Charges of 500 Copies of "All About Textiles and Control Orders"	1,156	0	6			
Less Sale Proceeds of Books and Receipts for Advertisement Insertions				1,043	13	0
„ Depreciation Provided on Furniture				228	0	0
„ Balance, being Surplus, transferred to General Reserve				2,092	0	6
 Total Rs.				17,474	3	0

In terms of my report on the Balance Sheet as at 31st December, 1945 of date

Calcutta, 7th June 1946
Sd, Jotindra Mohan Dey
Hony Secretary

Sd Laxman B Jha,
Registered Accountant

Merchants' Association

for the year ended 31st December, 1945.

Cr.

	Rs	As. P.	Rs.	As. P.
By Members' Subscriptions			15,225	0 0
„ Members' Admission Fees			1,800	0 0
„ Brokers' Licence Fees			135	0 0
„ Bank Interest			314	3 0

Total Rs.

17,474 3 0

Sd. R. C. ROY,
President.

CORRESPONDENCE

**Representation on the Raw Materials Committee and
Marketing Research Committee under the
All India Handloom Board, Bombay**

Copy of letter No. T.C 2/56/46, dated January 21, 1946, addressed to Mr. Dharma Vira, Textile Commissioner and Chairman, All India Handloom Board, Witter Road, Ballard Estate, Bombay, by the Hony. Secretary, Calcutta Yarn Merchants' Association : .

"Will you please favour us at an early date with the Prospectus of your All India Handloom Board and inform us whether the Proposed Raw Materials' Committee has been formed.

In case the aforesaid Committee is already formed, we would like to be favoured with the Prospectus of this Committee too.

In view of the fact that we are keenly interested in matters relating to your above Board and Committee, we believe, we shall not fail to receive your co-operation in the matter.

Thanking you."

•
Copy of letter No. HB/5 45 dated the 9th February, 1946 addressed to the Hony. Secretary, Calcutta Yarn Merchants'

Association, 89, Cross Street, Calcutta, by the Textile Commissioner :

"I have the honour to refer to your letter No. TC/2 56/46, dated the 31st January, 1946, and to forward herewith a copy of the Government of India Resolution detailing the functions of the All India Handloom Board for your formation.

There are at present two Committees of the 'Board functioning, namely (1) The Raw Materials Committee and (2) The Marketing and Research Committee."

DEPARTMENT OF INDUSTRIES & CIVIL SUPPLIES RESOLUTION

New Delhi, the 12th February, 1945

No. 101 -TC/45. The Government of India have had under consideration the problems facing the Handloom Industry, which have been in many ways considerably aggravated by the War, and have now resolved to constitute an All India Handloom Board with the following functions :-

- (1) To make recommendations to the Government of India on the proportion of the yarn available from Indian production which should be supplied to each Province and State interested in obtaining it for handloom weaving.
- (2) To assist handloom weavers in obtaining dyes, chemicals, stores, etc., at fair prices through their recognised Associations or through Provincial or State Governments.
- (3) To investigate and report on the best method of marketing handloom products.

- (4) To undertake research particularly into markets and the improvement of production. In pursuing such researches the Board should make use of any Provincial or State organisations already in existence.
- (5) To advise on the administration of the Grant-in-Aid given by the Government of India for the furtherance of the Handloom Industry.
- (6) To consider the conditions of work of handloom weavers.

If in the opinion of the Chairman any recommendation of Board appears likely to affect in any manner the interests of the mill industry, he should, before submitting it to Government for their consideration, take steps to consult the Textile Control Board and obtain its views thereon.

2. The Board will consist of 30 members, who will hold office in the first place for one year.

- (i) The Textile Commissioner (Ex-Officio Chairman).
- (ii) 3 Non-Officials nominated by the Government of India.
- (iii) 17 Members nominated by the Provinces as follows :

Assam	...	1	
Bengal	...	3	(including 2 representatives of Handloom Industry)
Bihar	...	1	
Bombay	...	2	(including 1 representative of Handloom Industry)
C. P.	...	1	
Madras	...	4	(including 3 representatives of Handloom Industry)

Orissa	...	1	
Punjab	...	2 (including 1 representative of Handloom Industry)	
U. P.	...	2 (including 1 representative of Handloom Industry)	

(iv) 4 members nominated one each by the following States :

(a) Hyderabad ; (b) Mysore : (c) Travancore ;
and (d) Kolhapur and Deccan States.

(v) 5 members representing the millowning interest
(nominated by the Textile Control Board).

3. The Special Officer, Handloom Board, will be Secretary to the Board, Ex-officio

4. The Board may appoint sub-committees to deal with specific subjects within its terms of reference.

5. These sub-committees may co-opt extra members to an extent not exceeding 1/3 of their numbers.

Order :—Ordered that a copy of this Resolution be communicated to all Provincial Governments, all Chief Commissioners, the several Departments of the Government of India, the Political Department, the Private and Military Secretaries to His Excellency the Viceroy, the Central Board of Revenue, the Auditor General, the Chief Controller of Supply Accounts, the High Commissioner for India in London, the Economic Adviser to the Government of India, the Director of Commercial Intelligence, Calcutta, the Textile Commissioner, Bombay, the Chairman, Textile Control Board, Bombay,

Ordered also that the Resolution be published in the Gazette of India, for general information.

—H. M. PATEL, Secretary.

Copy of letter No. T.C/5/123/46 dated February 19, 1946, addressed to the Director General of Consumer Goods, 16, Strand Road, Calcutta by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"I am directed to draw your most judicious attention to the fact that since time immemorial the Handloom Industry and the Yarn Trade of the Province are linked up together and as such the future prospect of Yarn trade depends entirely on the existence and development of this much neglected industry. Being mutually connected and inter dependent in interest, there is no gainsaying the fact that life of the one means the life to the other and death and degradation of the one means the death or degradation to the other. Long since this simple but certain truth was realised by those interested in yarn trade ; and that is why the local yarn dealers as a matter of course all along supported the cause of the handloom industry by supplying the weavers yarn on credit and storing yarn on their behalf—a fact well known and admitted by those who claim to have the least knowledge and information in regard to these two concerns.

This Association being the only representative body of the Yarn Merchants in Calcutta and controlling nearly 98 per cent of the total yarn trade of the province therefore stands naturally anxious to render every possible help towards improving the conditions of the poor and neglected weavers and maintains on point of necessity statistics of both the concerns aforesaid.

In the circumstances it is needless to explain why this Association earns the right to be represented on the two Committees mentioned above and now the cause of both the said concerns has got to suffer in default of right representation on the aforesaid Committees. This Association is also of opinion that any one interested in the welfare

of the suffering millions of this province cannot but make it as a moral obligation to see that this Association is given its rightful share in the above Committees by way of representation.

And it is within the knowledge of your goodself, we believe, that this Association has been authorised by the Textile Directorate to make retail distribution of yarns to small fabricators and is conducting the responsible task most creditably.

The Association, therefore, humbly requests your judicious self to recommend and do the needful for the representation of the Association on the said Committees under All India Handloom Board, Bombay.

It may be noted that the Association through representation proposes to try to improve the situation of the Handloom Industry on the following lines :---

1. To see that the allotment of yarns is made available to weavers in respective provinces on quantitative and qualitative basis and on proper calculation of looms.
2. To suggest proper schemes towards assisting the handloom weavers in obtaining materials other than yarns and to see that the dyeing charges of handloom cloths are reduced to reasonable amount.
3. To suggest in matters of guiding the weavers production along channels of readily saleable fabrics of standard qualities and thereby helping in marketing handloom products.
4. To undertake research particularly into markets and the improvement of production of Handloom cloths.

5. To give opinion in the matter of Grants-in-aid for Handloom Industry.
6. To give protection to the Industry in order to face competition with mills.
7. To give adequate facilities to procure fine yarns from foreign countries to meet the demands of the weaver for specialised production.

**Observations on the Operation of Cotton Cloth and
Yarn Control Order in Bengal.**

Copy of the letter No. T.C/4/298/45, dated September 13, 1945, addressed to the Textile Commissioner, Government of India, Bombay, with copies forwarded to (1) Mr. C. A. Buxton, Additional Director of Textiles (II), Calcutta, (2) Mr. W. S. C. Tully, Director of Consumer Goods, Calcutta, and (3) Mr. A. De. Williams, Commissioner of Civil Supplies, by the Honorary Secretary, Calcutta Yarn Merchants' Association :

"I am directed by the Committee of the Calcutta Yarn Merchants' Association to make the following observations in connection with the working of the Cotton Cloth and Yarn Control Order with special reference to Bengal and their suggestions in the light of the experience gained by the working of the said Order for your earnest and favourable consideration.

The Government of India promulgated the Cotton Cloth & Yarn Control Order in June, 1943, and, in accordance with the Central Control Order, Government of Bengal also promulgated the Bengal Cotton Cloth and Yarn (Control) Order in November, 1943 to regulate sale and distribution of cloth and yarn in this province. The Provincial Textile Authorities issued the first requisition

order of cloth and yarn before the Id and Durga Puja festivals in the second week of August, 1944. It was given to understand at that time that the Government were working out an Emergency Distribution Scheme which was evidently meant for the Puja and Id occasions. Soon after, however, the requisition and freezing of all yarns came as a declared policy of the Government and the wholesale freezing of yarn, except for a brief period when freezing was confined to all yarns of counts 20s and above, ply yarn and hosiery yarn, continues even up to this day.

According to the existing distribution scheme of the Government all yarns coming to Bengal are frozen. These frozen yarns are distributed through the Government Handling Agent to the various districts through respective S. D. Os. This distributive arrangement while, on the one hand, has ousted the majority of yarn dealers in Calcutta, it has not given any substantial relief to the consumers and due to the cumbersome, delaying and difficult handling of yarn under the Scheme it has given rise to serious defects as summarised in short as follows :—

1. Permits of certain counts are not issued in time and the delay in issuing permits causes great hardships. Particularly yarns of low counts are lying in the godowns of the marchants for a considerable period and it is apprehended that such yarns are likely to deteriorate in quality and made unsaleable in course of time if not disposed of early. It is also apprehended that demobilisation leading to serious unemployment will result in reduction of purchasing power and the consequent fall in prices. The price of yarn so accumulated, it is feared, may go down even lower than the controlled rate.
2. Probably due to lack of experience of the trade and the knowledge of various counts of yarn

used in a particular undertaking requisite yarns in requisite quantity are not being supplied to mofussil resulting into such yarns making their appearances in the black market.

3. Due to most mills except (Madura Mills) supplying Quota Yarn according to their choice in total disregard of the choice of the buyers and also in contravention of the practice prevalent just before the Control Order came into force there are accumulations of yarn, other than fine yarn, in this province which are less in demand in proportion to the supply available from the Mills. Permits are, therefore, not issued from the Directorate of Textiles, Bengal, regularly in such yarns; consequently such goods are lying in the godowns of the dealers for indefinite period.
4. Cessation of hostilities and the Government's cancellation of War Orders on the Textile Mills specially of non-weaving mills will considerably increase the supply position of yarn.

The cumulative effect of all these above factors has been firstly that all counts of yarn except fine yarn have been accumulated while there is great scarcity of fine yarn which are used by majority of the weavers in the province.

Secondly, the existing distributive machinery of the Provincial Government has placed a large section of the trade in a miserable plight and the yarn dealers have been virtually stopped to keep their trade connections with whom they had business in the past. Calcutta being chiefly a distributing centre of yarn majority of the dealers in yarn are carrying wholesale business. These dealers had maintained long connections with dealers in the mofussil but they are no more in the show now as they

are not allowed, under the present restrictions, to carry on their business with the mofussil dealers.

Thirdly, the distributive arrangement made by the Provincial Government has been unsuccessful for the reasons already stated above and conditions of scarcity and black market in fine yarn still exist. And their presence under the existing circumstances when all yarns are frozen can only be presumed to be an outcome of the defects in the distributive machinery of the Government. Lastly, this distributive arrangement made by the Provincial Government through the Handling Agent consequently depriving majority of the dealers of their long established trade has not fulfilled the main objective of the Government, vide their Notification No. T. C. 17/1/45, dated the 30th January, 1945, as amended, from time to time, which has provided a separate margin for all the successive stages of transactions in the trade. The provisions of the above Notification evidently show that the intention of the Government was to provide the normal trade channels but that objective of the Government is not fulfilled due to the fact that goods are not allowed to pass through normal trade channels.

Moreover, the main objective of the control of yarn is to provide cloth and other manufacturers of yarn to consumers at equitable prices but there is no control over handloom cloth and other miscellaneous articles manufactured from yarn. The objects of control are therefore, not at all served and there seems to be no justification for control of yarn.

Under the circumstances, the Committee earnestly feel that it is high time that normal trade channels should be fully utilised for the distribution work and some relaxation in the Control Orders may be brought about as early as possible. We are very anxious to revert to our former

system of business which we were pursuing before the Freezing Order was passed in order to face the tide of increased supply due to increased production of yarn and stoppage of war orders as also the future developments in the trade. The Committee, therefore, desire to make the following suggestions for your earnest and favourable consideration.

1. That the Cotton Cloth and yarn Control Order should be revised and the necessary modifications in the light of experience gained through the working of the Order should be made. The Committee are of view that now that the hostilities are over the time has come when the Government ought to review the various control measures the rigours of which in some cases, had led to much confusion to the detriment of the people, consumers and traders alike.
2. The Freezing Orders in yarns which are in force for more than a year must be relaxed in view of the circumstances stated before. In the opinion of the Committee Freezing Order should be either withdrawn from all yarns except fine yarn or the application of the said Order on yarn should be limited to three weeks so that yarn may not remain frozen for an indefinite time,
3. Mills should be directed to supply yarn according to the choice of the Quota-holders on the basis of their past transaction and according to the practice prevalent before the Control Order was passed.
4. The accumulated goods which have no demand here may be permitted to be sold in neighbouring provinces where they were in demand.
5. Normal trade channels should be utilised for the distribution of said yarn except fine yarn to give

scope that the trade may function and also the All India Yarn Distribution may play its part as contemplated by the framer of the Scheme.

6. Necessary measures should now be taken which may create a situation favourable to restore normal condition gradually in the trade to avoid any adverse reactions in the trade possibly through any abrupt change or removal of the control orders.
7. Finally the Government should immediately take all possible steps to create a situation under which the merchants may be in a position to face the tide of depression which has already begun in this trade.

The Committee are confident that you will give these suggestions your very careful consideration and advise the Provincial Government to take necessary action in the light of the Committee's observations as stated above.

Cloth and Yarn Quota to Bengal

Copy of letter No. T. C/3 91/45, dated March 27, 1945, addressed to the Textile Commissioner, Government of India, Harawala Building, Ballard Estate, Bombay, by the Honorary Secretary, Calcutta Yarn Merchants' Association :

"Cloth and yarn situation in Bengal has been since recently drawn the attention of all and various statements official and non-official have given figures of cloth and yarn quota to Bengal. The figures of Bengal quota of yarn as emanated from the statements of Central and Provincial official quarters are in most cases conflicting and it is difficult to arrive at a correct figure which has been allotted to Bengal on the whole.

. The Committee, therefore, approach you with the request that you will kindly let us have the following particulars at your earliest convenience and oblige.

- (1) The total quantity of yarn in bales or lbs. produced in India and available for distribution throughout the Provinces and the States.
- (2) Monthly bales allotted to Bengal (a) to weavers (b) to non-spinning mills.
- (3) Monthly bales allotted to other provinces.

These figures are urgently required by the Association and I would very much appreciate of your kindly expediting in the matter."

Copy of letter No. CYC/9. 2312 (1) 3057, dated the 9th April, 1945, addressed to the Hony. Secretary, Calcutta Yarn Merchants' Association, Calcutta, by the Textile Commissioner, Witter Road, Ballard Estate, Bombay :

"With reference to your letter No. T. C/3/91 45, dated 27th March 1945, I write to advise you to approach the Provincial Government who, under the "All India Yarn Distribution Scheme which has come into operation since 1st April 1945 will be in a position to afford direct assistance in the matter of procurement of yarns to Factories, Handloom Weavers, and miscellaneous users within their respective territorial jurisdiction"

**Inclusion of the name of the Calcutta Yarn Merchants'
Association in the Office Mailing List of the
Textile Commissioner, Bombay**

Copy of letter No. CYC-7 (9), dated 27th December, 1944, addressed to the Hony. Secretary, the Calcutta Yarn Merchants' Association, Calcutta, by the Textile Commissioner, Bombay :

"I have the honour to acknowledge receipt of your letter No. TC/859/44, dated 15th December, 1944, and to state

that as your Association is a member of the Federation of Piecegoods and Yarn Merchants' Associations of India, Bombay, which circulates our Notifications etc. to all its members, the name of your Association has been cancelled from this Office Mailing List of Associations to whom copies of Notifications etc. regarding Cotton Cloth and Yarn (Control) Order, 1943, are sent. A copy of your letter is forwarded to the Federation for necessary action in the matter.

A copy of each of the Cotton Cloth Movements Control Order, 1943, and the Cotton Cloth and Yarn (Transmission by Post) Prohibition Order, 1944 with amendment thereto are enclosed.

Enclo : I set of Notifications etc."

Copy of letter No. TC 1145, dated January 3, 1945, addressed to the Textile Commissioner, Government of India, Witter Road, Ballard Estate, Bombay, by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"I am directed to acknowledge the receipt of your letter No. CYC. 7 (9), dated the 29th ultimo and while I thank you for your kindly forwarding a copy each of the Cotton Cloth Movements Control Order, 1943, and the Cotton Cloth and Yarn (Transmission by Post) Prohibition Order with amendments thereto, it is extremely regretted that the name of this Association has been cancelled from your Office Mailing List of Associations to whom copies of Notifications etc. regarding Cotton Cloth and Yarn (Control) Order, 1943, are sent. This decision has been taken, as stated in your letter under reference, due to this Association being a member of the Federation of Piecegoods and Yarn Merchants Association of India which circulated your Notifications.

This Association, as you are probably aware, is the only representative body of the yarn merchants in this province and as such represents practically 98% of the total trade of the province. It is the only accredited body which is recognised by the Bengal Government in yarn trade. It is, therefore, strange that you have removed the name of this Association from your Mailing List. Copies of Circulars from the Federation of Piecegoods and Yarn Merchants Associations of India are not regularly received and are received too late thereby making it difficult for the Association to circulate the same to its nearly 300 constituents in time. Moreover the Association being the only recognised body in yarn trade the merchants look to this Association for being prompt in conveying to them the instructions contained in the Notifications issued by the Government from time to time and the Association had referred the matter to you due to the fact that the Association has not been receiving such Circulars and Notifications etc. for the last two or three months.

Under the circumstances, I would request you to kindly reconsider your decision and include the name of the Association in your Mailing List for supplying all necessary Notifications etc. to this Association from time to time and oblige."

Copy of letter No. CYC-7 (9), dated the 15th January 1945, addressed to the Hony. Secretary, Calcutta Yarn Merchants' Association, Calcutta, by the Textile Commissioner, Witter Road, Ballard Estate, Bombay :

"I have the honour to acknowledge receipt of your letter No. T.C.1/45, dated 3rd January, 1945 and to inform you that the name of your Association has been included in this office Mailing List as a special case.

A complete list of your members may please be submitted."

Copy of letter No. T. C/2/2/45, dated 20th January, 1945, addressed to the Textile Commissioner, Government of India, Ballard Estate, Harawala Building, Witter Road, Bombay, by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"I am directed to acknowledge with thanks receipt of your letter No. CYC/7 (9), dated the 15th instant, and have noted that you have kindly included the name of this Association in the Mailing List of your office as a special case. A list of the members of this Association is enclosed herewith, as desired."

Members' list was enclosed and duly sent herewith.

Sewing Thread
and
"Bidi" Manufacturers

Copy of letter No. P.T.C./6/29/46, dated January 21, 1946, addressed to the Deputy Director of Textiles (V) Yarn, Calcutta, by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"We shall be much obliged if you kindly inform us forthwith (a) whether there is any sort of Restriction or Control on the sale of yarn-balls below 2000 yds,

(b) if there is any necessity of Licence for merchants who purchase balls for sale from thread-ball manufacturers

and (c) if there is any necessity of Licence for the manufacturers of *bidis* who keep such balls in stock for use in their own industry."

Copy of letter No. CG TX/YARN/112/46²³⁶², dated 3rd April 1946, addressed to the Hony. Secretary, Calcutta Yarn Merchants' Association by the Deputy Director of Textiles (V) Yarn :

"With reference to the above quoted letter, I have to inform you that the question of exemption from Licence of kutchha thread manufacturers has been put forward to the Director for final ruling, as under the Bengal Cotton Cloth and Yarn Control Order, 1946, it is stated that sewing thread manufacturers and dealers in sewing thread are exempt from Licence. It must now be ruled as to whether persons who obtain hank yarn and re-wind that yarn into a thread used for kutchha sewing may be termed 'Sewing Thread Manufacturers' or 'Dealers'.

With reference to your para (c) manufacturers of bidis who use yarn as an accessory are exempted from Licence under the Cotton Cloth and Yarn Control Order. No notification to this effect has been issued but that has been agreed between the Director General of Enforcement and the Director of Textiles."

Delivery of Contracted goods through Messrs. B. N. Elias & Co.

Copy of Letter Nos. PTC 645 & PTC/AC:7/45, addressed to T. Jones, Esq., Provincial Textile Controller, Calcutta and S. C. Roy, Esq., M.A., B.L., Chairman, Provincial Textile Control Advisory Committee, Calcutta, with copy to Messrs. B. N. Elias & Co., Ltd., by the Honorary Secretary to the Calcutta Yarn Merchants' Association :

"It has been represented to the Association that some of the dealers who are constituents of this Association and who have been getting their goods through Messrs. B. N. Elias & Co., Ltd., have been intimated by the above

firm that their contracted goods, which are stated to have arrived and which are automatically releasable being of coarse quantities of yarns below 20s cannot be delivered to them under the instructions contained in your Circular (No. 8034(104) CY, dated the 16th November 1944, requiring them to re-allot their goods to dealers who were on their books during 1940-41 and 42 unless special sanction has been obtained from you granting an exemption from the provisions of the new quota scheme. A copy of the relevant portion of the Circular issued to the various merchants by Messrs. B. N. Elias & Co., Ltd., is enclosed for your ready reference.

While it is admitted that under the new quota scheme referred to above the firm is entitled to re-allot such goods to the dealers of basic years, it may be submitted for your favourable consideration that the goods in question are in satisfaction of contract made before as a matter of fact contract fulfilled—as the price of the goods had been paid some 2½ months back. In the circumstances, it would be only fair to grant exemption in connection with goods for which dealers have already paid and which could not be delivered till now as the same were in transit.

The Committee hope you would kindly issue special exemption in such cases and oblige."

Copy of letter No. 579 (CY), dated 19th January, 1945, addressed to the Hony. Secretary, Calcutta Yarn Merchants' Association, by Mr. T. Jones, the Provincial Textile Controller :

"With reference to your letter No. PTC/6/45, dated 5th January, 1945. the necessary instructions have already been issued to B. N. Elias & Co., and the matter under reference may be regarded as disposed of."

Definition of Freight Charges

Copy of Letter No. P. T. C.23/87'46, dated February 19, 1946, addressed to the Deputy Director of Textiles (V) Yarn, Directorate of Textiles, Calcutta, by the Hony. Secretary, Calcutta Yarn Merchants, Association :

"With reference to the above subject, I am directed to request you to be good enough to enlighten us forthwith whether Insurance Charges would come under the connotation of the expression "Freight", or the same are to be charged separately in terms of the text of D. O. No. TGS. 1'D. 525 of 3rd December, 1945".

Copy of letter No. $\frac{1456}{CG\ IX.YARN\ 321.46}$, dated 28th February/1st March 1946, addressed to the Hony. Secretary, Calcutta Yarn Merchants' Association, by the Assistant Director of Textiles (III) :

"With reference to the above, I am forwarding herewith copy of relevant extract from the Textile Commissioner, Bombay, letter, which I believe, will clarify the position.

"The freight which the quota-holder is permitted under the notification, dated the 30th January, 1945, to recover from the buyer can be properly defined to mean—the money necessarily expended for the carrying of the goods from the mill premises to the quota holder's premises. It is important however not to lose sight of the word 'necessarily' because that excludes any commission and handling charges which the quota-holder may have incurred, and the expression only connotes the expenses directly connected with the carriage of the goods".

**Cancellation of allotments of non-quota yarns after payment
as per pro forma Invoice within 21 days**

Copy of letter No. T.C.3/57/46, dated January 31, 1946, addressed to the Textile Commissioner, Wittet Road, Ballard Estate, Bombay, by the Honorary Secretary, Calcutta Yarn Merchants' Association :

"We beg to draw your attention to the fact that sometimes the Nominated Agents, authorised to receive non-quota yarns from Madras Mills, find to their utter surprise that such allotments are cancelled even after the payments having been made in accordance with the Proforma Invoice of the mills.

In most cases these cancellations are made under the advice of the Southern India Chamber of Commerce and the respective Mills are asked to distribute such yarns within the province of Madras.

Will you, therefore, please look into the matter and enlighten us on which principle or rule of conduct such things are being caused to occur at all."

Copy of letter No. CYC.9-23 2/15564, dated the 14th February, 1946, addressed to the Honorary Secretary, Calcutta Yarn Merchants' Association, Calcutta, by the Textile Commissioner, Wittet Road, Ballard Estate, Bombay :

"Please refer to your letter No. TC 3 57/46, dated the 31st January, 1946.

To enable this office to look into your complaint it will be appreciated if you will please furnish full details of the case :

- (a) Names of the Mills
- (b) Names of the allottees.

- (c) Quota of yarn allotted in each case with approximate date of allotment.
- (d) Payments made by allottees with approximate dates in each case.
- (e) Date of the cancellation of the quota in each case.
- (f) Any other relevant information that you deem proper.
- (g) If possible please add also a few words about the circumstances that lead to the cancellation of the the Quota after payment being made."

Time Limit

Copy of letter No. P.T.C/46/178/46, dated March 30, 1946, addressed to the Deputy Director of Textiles (V) Yarn, by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"I am directed by my Committee to draw your kind attention to the various troubles and inconveniences arising out of the time of 14 days usually prescribed in Permits that are being issued and request you to be good enough to restrict it to 7 days only, unless there are exceptional grounds for extending the same.

My Committee is of opinion that by restricting the time-limit in Permits to 7 days, enormous trouble and inconvenience may surely be avoided."

Copy of letter No. $\frac{2610}{CG\ TX\ YARN/112/46}$, addressed to the Calcutta Yarn Merchants' Association, Calcutta, by the Deputy Director of Textiles (V) Yarn :

"Please refer to your letter No. PTC'46/178/46, dated 30th March. It is requested that the matter of a shorter

time-limit for taking up yarn against Permits issued by this Directorate be pended until such time as the new method of distribution has been given a fair trial to enable the Clearing & Forwarding Agent to clear the stocks now lying in Calcutta."

Time-limit on Permits and Submission of Monthly Stocks

Copy of letter No. P.T.C 53/190/46, dated 11th April 1946, to the Deputy Director of Textiles (V) Yarn and the Director of Textiles by Hony. Secretary, Calcutta Yarn Merchants' Association :

"I am directed to refer your goodself to our letters Nos. P.T.C.46 178/46 of 30th March, 1946 and P. T. C. 48/181/46 of 1st April, 1946 and request you to note that we have not yet been favoured with any response thereto.

As both the above matters are of urgent importance, it will not be considered unwise we hope, to expect an immediate compliance with the former and reply to the latter.

In this connection we may be allowed to point out that heretofore times without number this Association attempted at driving home the fact of enormous losses, indescribable inconveniences and untold troubles that were and are being caused by the usual prescription of 14 days' time-limit on the Permits which are again allowed to be extended repeatedly. In order to avoid and do away with the aforesaid hardships, troubles and losses generally experienced by the dealers in yarn, as well as the ever-growing problem of yarn scarcity in distant mofussil, it is highly desirable, therefore, in all sense rational that your judicious self will lose no time whatsoever in reducing the 14 days' time-limit to a maximum period of 7 days,

which on no occasion needs be extended except on extraordinary and unavoidable circumstances.

In conclusion, we would draw your immediate attention to the havoc that has already started to act in the Yarn Market at Calcutta by everyday accumulation of huge stocks that have been lying undelivered and complaints whereof are already being heard from different quarters."

Copy of letter No. ²⁷⁴²CG/TX YARN/112/46, dated 16th April, 1946, to the Calcutta Yarn Merchants' Association, by the Deputy Director of Textiles (V) Yarn with reference to this Association Letter No. PTC/53/199-46, dated 11th April, 1946 :

"With reference to your above letter, I have to inform you that replies were sent under this Directorate No. 2571, dated 8th April and 2610, dated 10/11th April. Further communication will follow."

Issue of Permits on Frozen Yarn and Time Limit on Permits

Copy of letter No. P.T.C.58 214/46 dated April 17, 1946 addressed to the Deputy Director of Textiles (V) Yarn, the Textile Commissioner, Bombay, the Chairman, Textile Control Board, Bombay, the Private Secretary to His Excellency the Governnor of Bengal, the Secretary to the G.I. Dept. of Supply, New Delhi and the Director General of Consumer Goods, Writers' Building, Calcutta, by Mr. Jotin Dey, Hony. Secretary to Calcutta Yarn Merchants' Association :

"With reference to your letter No. 2610/CG.TX.YARN 112-46, dated 10th.11th April 1946, I am directed to draw your immediate attention to our abovesaid letter, especially the last para of the same and request you to

be good enough to rise up to the occasion and do the needful that brooks no delay whatsoever.

The delay in issuing Permits has become a proverbial practice with your Directorate and there is no gainsaying in the fact that the 14 days' time-limit on the Permits, when they are being issued in the long run, has been adding fuel to fire as it were. My Committee finds no reason whatsoever why the godowns of the dealers should lie blockaded for an indefinite period aggravating thereby the ever accruing losses and hardships of the dealers in yarn and the yarn scarcity problem of this province.

Murmurs are being heard everywhere, complaints are pouring in from every quarter, dealers are getting impatient every day and the poor weavers in distant mofussils are shedding tears for want of timely and adequate supply of yarn to them. My Committee would, therefore, request you once more in the name of suffering trade and humanity as well, to issue Permits at once over the goods already lying frozen and restrict the time limit on the same to a maximum period of seven days that will on no occasion be allowed to be extended except on extraordinary circumstances.

Thanking you."

Retail Distribution of Yarn to Small Fabricators & Jajnapahit

Copy of letter No. P. T. C 38/144 46, dated March 15, 1946, addressed to the Assistant Director of Textiles (III) Yarn, by the Hony. Secretary Calcutta Yarn Merchants' Association :

"With reference to your letter No. 1686/CG-TX-YARN-112-46, dated 7/8 the March, 1946, I am directed to refer you to our correspondence No. P.T.C/70/297/45 of 13th

September, 1945, wherein we attempted to clarify the term "Small Fabricators" by including in it manufacturers of Shocks, Hosiery, Thread-balls, Fishing Nets, Lamp Wicks, Motor Tyres, Cotton Ropes, Tapes, Bandages, Embroidery Works, Shoe Cases, Sporting Goods, Sugar Candy, Ribbons, Cards, "Jajnapabit" and those requiring yarn for Bidi making, Crystal manufacturing, Beadings, etc., etc.

Hope the above will enable you to arrive at an early decision in the matter."

Copy of letter No. ²³¹⁷ CG/TX/YARN/112/46, dated 2nd April, 1946, addressed to the Calcutta Yarn Merchants' Association, by the Deputy Director of Textiles (V) Yarn :

"Please refer to your letter No. PTC 38 144/46, dated 15th March. The question, has been referred through the Law Officer to the Enforcement Branch. On receipt of a reply further communication will follow."

Copy of letter No. ²⁴⁸⁶ CG/TX/YARN/112/46, dated 5th April, 1946, addressed to the Calcutta Yarn Merchants' Association, by the Deputy Director of Textiles (V) Yarn :

"With reference to the above letter, I have to inform you that with the exception of sock and hosiery manufacturers manufacturing by hand and sugar candy manufacturers, all other users of yarn referred to in your above letter are liable to licences.

With reference to "Jajnapabit", it is understood that the thread utilised can be sewing thread. I therefore suggest that if this is possible such thread should be used.

It is then exempt from licence, in any case will you please advise me if there is any manufacturer who produces 'Jainapabit'."

Yarn for "Jainapabit"

Copy of letter No. P. T. C./63/236/46, dated April 30, 1946, addressed to the Deputy Director of Textiles (V) Yarn by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"With reference to your letter No. 2486/CG-TX-YARN-112-46, dated the 5th April, 1946 and in compliance with the request contained in your said letter I am directed to inform you that the "Jainapabit" can never made of sewing thread.

This "Jainapabit" is otherwise called the Holy Thread in India. As the Christians are bathed in the Holy water of Jordan at the time they are baptized, the Brahmins, the Chatrias and the Vaishyas of India at the time of holy initiation have got to wear this "Jainapabit". It is a sacramental custom and the said thread stands as an essential requisite of sacramental function.

A copy of the letter appended hereto will partly explain how this thread is manufactured for the up-country Brahmins, Chatrias and Vaishyas living in this Province. As for the "Jainapabit" manufactured and used in Bengal it is to be noted that the same is generally made by *Pardanashin* housewives and poor Brahmins generally with the help of "Charka", "Takli" or other handplants and the same is being not only worn by the Brahmins but used in oblations to the deities, and offerings to Brahmins by way of practising piety and observing usages enjoined by the Hindu Holy Sacraments.

It is difficult to understand, therefore, how these *pardanashin* housewives will come out for a Textile Licence or the poor Brahmins to observe the Textile formalities in order to procure a few bundles of yarn that will satisfy their need for a whole year. In any case, the demand of a Textile Licence in matters sacramental may, apart from the fact of its being unreasonable, invite public criticism, as it will go a long way to hamper the religious observance enjoined by Hindu Shastras or Sacraments.

Hope, therefore, that the matter aforesaid will not fail to receive your immediate serious attention thereby doing away with the question of Textile Licences in matters relating to "Jajnapabit".

The letter appended hereto will furnish you with the name of one manufacturer of holy thread meant for up-country Brahmins, domicile or residing in this Province."

Enclosure : One copy of letter from Mr. Keshardeo Sharma addressed to the Controller of Textiles.

Copy of letter No. 3142
CG/TX/YAN/112/46 , dated 4th
May 1946, addressed to the Calcutta Yarn Merchants' Association, by Dy. Director of Textiles (V) Yarn :

Ref. : Your letter PTC 63/236/46 dated 30.4.46

"With reference to the above letter, I have referred this matter to the Dy. Director General, Enforcement, who agrees that persons manufacturing "Jajnapabit" should be exempt from licence either as a manufacturer or as a dealer. In view of the very small quantity of yarn required by the manufacturers, it is suggested that yarn necessary should be made available by your Association."

Retailers

Copy of letter No. P.T.C./65/249/46, dated 1st May 1946, addressed to the Deputy Director of Textiles (V) Yarn, Directorate of Textiles, Calcutta by the Hony. Secretary, Calcutta Yarn Merchants' Association :

"Apropos our conversation I beg to send you herewith per enclosure the list of the *bona fide* retailers and I hope that all the allotments will now be commenced and continued to be made in favour of this Association so that the aforesaid retailers may not be deprived of their due margin already provided by the Textile Commissioner's Notification No. (17) 1/45.

Thanking you.

A List of *bona fide* Retailers. was enclosed and duly submitted herewith.

APPENDIX

APPENDIX—A.

Presidential Speech

delivered by

Mr. Chhaganlal Ladhabhai

at the Fifth Annual General Meeting

OF THE

Calcutta Yarn Merchants' Association

held on 2nd June, 1945

"Gentlemen,

I have much pleasure in extending a most hearty welcome to you all at the Fifth Annual General Meeting of the Association and I am glad to be able to say that with your co-operation and assistance the Committee of this Association have rendered valuable services during the year under review as will be evident from the Annual Report which has been already circulated to you and placed on the table for your approval.

Gentlemen, an occasion like this is generally availed of not only to review the work of the Association during the past year but also to indicate by useful suggestions as to what the activities of the Association should be in the days ahead of us all.

Before I do so let me preface my remarks by expressing our great rejoicing at the happy termination of the War in Europe. The stress, the strain and the suffering

rendered inevitable by a War of no small magnitude has fortunately been lessened and along with various other countries we must thank Providence for the happy result.

Gentlemen, the year that has passed was a very difficult one for merchants and the public. If there is handicap to trade and commerce and consequent hardship to the merchants, there is no doubt that such hardship is shared by the public also. The balance of disadvantage of all controls and restrictions in the movement of goods or in production or in distribution is ultimately borne by the public. That is a re-action which Government and the Public are slowly realising and to that extent merchants are absolved of any part of lot in the present general suffering of the public. A very curious effect of controls and the financial and taxation system of the country pursued both in the provinces and in the centre is that production has definitely declined. The production of food-grains, commercial crops and manufactured goods has been disappointing and in some cases there was a marked decline which is very strange at a time when all-out efforts are supposed to be made to maximise production alround and special experts are appointed for the purpose. An important contributory factor for lack of production is the heavy burden of taxation and severe control measures which have very little freedom to the different functionaries. The storage of goods and services is universally felt and all attention of the public and the authorities is directed to the carrying on with the limited stocks and limited production only caring for distribution, without caring to intensify production. Consequently the excuse for control is continuing without benefit to the public or the consumers at large.

Gentlemen, as you are aware the various control orders and ordinance issued by the Central and Provincial Government and local authorities from time to time fixing margin

of profits, movement of commodities from place to place, the procurement, purchase, distribution, import, exports etc., have created artificial barriers in business, have taken away incentive of producers, manufacturers, and merchants and industrialists for increasing production, have given rise to much bungling of distribution due to in experienced officers and subordinates for administration of complicated orders and Ordinances resulting in wastage, accumulation of stocks, of essential goods, in certain places, and scarcity in other places of the country. In my opinion, these orders have not been of material benefit to the producer or consumer at the cost of living remains at the same high level or even greater and have resulted in increased handling and movement charges and in creating more vested and monopolistic concerns, in place of the normal trade channels. These Ordinances have been in operation for months and years, and it is time that Government should think of relaxing these Control Orders so as eventually to restore gradually complete freedom of trade, commerce and enterprise.

Gentlemen, while the past has been a period of great travail the future appears to be more uncertain. To a large extent the termination of War with Japan will be a determining factor and as you all know in pre-war days imports from Japan had been considerable. What the future of the trade will be between now and the termination of War with Japan and what the future will be after such determination, is a matter which nobody can conjecture and a forecast is absolutely impossible. We must, however, take note of the fact that great changes are now in the offing, various countries at least for the purpose of keeping in touch with the Indian market are willing to export a substantial portion of their goods, if not to control at least for the purpose of keeping in touch with the local markets, To what extent foreign imports

would fill in the void in our requirements, to what extent the Government will devise ways and means to control such trade and to what extent the Government will lend its aid to support the indigenous industry, are all matters which no one can possibly suggest at the time.

There has, however, been much suspicion about the anxiety of Government of India to register orders for capital goods from Britain. There is a genuine fear that out-of-date machinery might be supplied at high prices at uncertain dates of delivery and that the very use of such machinery would seal the fate of Indian factories and mills during the days to come. It is true that some colour has been lent to this fear by the way in which examination of Capital Issues and Registration of Companies is taking place at present and placing of orders for machinery and plant being discussed at such registration. Government have repeatedly assured that they have no motive behind this move, and we need look for no clearer re-assurance on this point than what Sir Theodore Gregory has stated in his Memorandum on Indian Trade Policy in the post-war period published recently by the Government of India. Any way we have still to see how the Government implement their promises.

Gentlemen, in reviewing the activities of the Association during the past year two notable events have to be referred to :—

- (1) The control of the yarn trade by the Government
- and (2) The General situation resulting from the said control.

The main objective for this control was, as I concede it to be, to secure an equitable scheme of distribution by which the different classes of members interested in the yarn trade should receive a fair share in the profits made,

while the available quantities could be placed within easy reach of the general public or the consumers. I must express my disappointment that as consequence of the working of the scheme the Government has, to a large extent failed to achieve its objective. The official control over the distribution of cloth and yarn, in a series of experiments, has upset our trade altogether. You have watched the varying moves adopted by the Authorities in the matter of distributing yarn by freezing system. While these moves suffer from many other drawbacks calculated to undermine the situation of the traders, they failed to give any substantial relief to the consumers which as the Government profess has been a paramount consideration before them in their distributive arrangement. The wholesale freezing of yarn continues and the normal trade channels are upset.

Besides, the official bungling and mismanagement with regard to the distribution of yarn that had been a predominant factor which contributed to the dismal failure of the Government in achieving the desired object. And this has been firstly a general scarcity of yarn throughout the country and the insufficient quota of same allotted to Bengal by the Central Government Authorities. This shortage and scarcity of yarn still continues to the detriment of millions of consumers throughout the province and inspite of the best efforts of the Government to minimise the acuteness of the problem through their distributive arrangement, the problem remains apparently at the same point as it was 12 months before. Another reason which has contributed to this dismal situation is that yarns of fine counts are received in this province in very low quantity and goods of coarse counts are thrust just to make-up the quota of Bengal. I understand that due to absence of yarn of requisite counts a large quantity of yarn bales are being accumulated in the

districts with consequent unemployment of thousands of weavers.

The freezing system has ousted the established trade channels and the sufferings and travail of the dealers know no bounds.

Gentlemen, I would like in this context to examine the situation of yarn from the point of view of weavers and fishermen. The weavers and fishermen of Bengal have faced a serious catastrophe. Even after the yarn control orders were enforced and the yarn distribution was set on foot by the Textile Authorities complaints are pouring in from almost all the consuming centres that weavers and fishermen are not receiving proper supply of yarn. Consequently a large percentage of the handlooms of Bengal are lying idle and fishermen are not getting yarn for their nets, as a result of which thousands of the illiterate mass are being thrown out of employment and are rendered destitutes as they have no other calling to fall back upon.

Gentlemen, I have pointed out that the present quota of yarn for Bengal is much below the normal level. I am of opinion that if the weaving community and the industry are to be saved the Bengal quota of yarn must be increased immediately. Secondly, there is no reason why large quantities of yarn should be allowed to accumulate with the quotaholders in Calcutta, when the weavers and fishermen are threatened to perish for want of it. Thirdly, the distribution scheme in Bengal has proved a failure, so far as the weavers and fishermen are concerned. So long as the allotment and distribution of yarn remain in the hands of such men who are not connected with the trade, the weavers and fishermen cannot expect better results. Sometimes we hear of allegations of wilful neglect and even of malpractices in some cases. For all these

reasons the weavers and fishermen are driven to black market the evils of which are on the increase.

Gentlemen, in provinces other than Bengal the bona fide yarn traders help the distribution scheme which has proved successful. We wonder why such a matter has not been adopted in Bengal. Indeed the weavers and fishermen derive no benefit through these Handling Agents, so there is no special charm for appointing these Handling Agents and depriving the retail yarn traders of their business who suffered a great loss during the famine period by helping the weavers and fishermen with yarn on credit system.

Gentlemen, the matter demands a review by the Government and their officers of the real position existing and to take proper steps accordingly by all possible ways and means to arrange for equitable distribution of yarn which has become so important a commodity for the weavers to earn their livelihood and to meet the demand of the public for supply of cloth. It is now high time for the powers that be to be quite at home regarding the situation and tackle it with the utmost skill so as to avoid a serious catastrophe which is inevitable in course of short time.

Gentlemen, the weavers and fishermen are all illiterate and are unable to ventilate their grievances to the proper authorities. Government should, therefore, give proper attention to the miserable plight of the weavers and fishermen and should try to ameliorate their condition in no time.

I, therefore, draw the immediate attention of the Provincial Textile Authorities to the serious situation that has come to pass. If necessary action is not taken by them to save the weavers from the clutches of starvation and death, a class of people of our country engaged in a very

important cottage industry is sure to be extinct from the face of the earth along with their occupation. So, if the Government make proper arrangement for equitable distribution of yarn to the weavers and fishermen in co-operation with the manufacturers and different trade channels and by introducing able and efficient Inspectorate to check the black market, the situation that now threatens the existence of the weavers and fishermen may be saved this time.

Gentlemen, I had the privilege of being the President for two successive terms and I am thankful to the members of the Committee and others for having reposed confidence in me and supported me through thick and thin. I have endeavoured during the period of my office to carry out the traditions of our institution to the best of my abilities. I sought to serve the interests of the Association and of its members as far as I was capable of. If in so doing, there had been any occasion for any misunderstanding I beg to be excused and give my assurance that the only thing that had weighed with me throughout my tenure of office was my concern with the Association and of its members.

In conclusion, I would also like to record my appreciation of the valuable services rendered to the Association by its Hony. Secretary Mr. H. K. Jhajharia whose untiring zeal for the work of the Association since its inception was, to a large extent, responsible for the position and the status you find the Association in at present.

Thanking you."

APPENDIX—B.

CIRCULARS

Calcutta Yarn Merchants' Association

89, CROSS STREET, CALCUTTA

Circular No. 52/45

Dated 30th July, 1945

TO

ALL MEMBERS OF THE ASSOCIATION

DEAR SIR/S,

Re Cotton Cloth and Yarn Control Order, 1945

I beg to circulate, hereunder, for your information and perusal, copy of Notification No. TB(3)45, dated the 21st July, 1945, issued by the Government of India, Department of Industries and Civil Supplies, promulgating the Cotton Cloth and Yarn (Control) Order, 1945. It will be kindly noted that the Cotton Cloth and Yarn Control Order, 1943 now stands repealed and the new Order comes into force at once.

Yours faithfully,

JOTINDRA MOHAN DEY

Hony. Secretary.

Copy of Notification No. TB(3)/45, dated the 21st July, 1945, issued by the Government of India, Department of Industries & Civil Supplies.

"In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules, the Central Government is pleased to make the following Order, and to direct with reference to sub-rule (1) of rule 119 of the said Rules that notice of the Order shall be given by the publication of the same in the Official Gazette and by the issue of a Press Note summarising and explaining its provisions :—

1. (1) This Order may be called the *Cotton Cloth and Yarn (Control) Order, 1945*.

(2) It shall come into force at once.

2. (1) The provisions of the Order shall be in addition to and not in derogation of any other law for the time being in force.

(2) The Cotton Cloth and Yarn (Control) Order, 1943, is hereby repealed.

Provided that anything done under any provision of that Order shall be deemed to have been done under the corresponding provisions of this Order ;

Provided further that any reference in any order issued under the Defence of India Rules or in any notification issued thereunder to any provision of the Cotton Cloth and Yarn (Control) Order, 1943, shall, unless a different intention appears, be construed as reference to the corresponding provision of this Order.

3. In this Order, unless there is anything repugnant in the subject or context,

(a) "Cloth" and "Yarn" mean respectively any type of cloth or yarn manufactured either wholly from

cotton, or partly from cotton and partly from any other material and containing not less than 10 per cent. of cotton by weight, but "cloth" does not include :—

- (i) ready made clothing other than dhoties and sarees ;
- (ii) hosiery ;
- (iii) any articles which are Indian Woolen Goods as defined in the Indian Woolen Goods (Control) Order, 1944 ;
- (iv) leather cloth and inferior or imitation leather cloth ordinarily used in book binding ;
- (v) tracing paper ;
- (vi) cloth manufactured partly from cotton and partly from wool and containing 40 per cent. or less of cotton by weight ;
- (vii) Synthetic proofed fabrics, whether single textured or double textured, used as substitutes for rubberised sheets and leather cloth.

(b) "dealer" means a person carrying on the business of selling cloth or yarn or both, whether wholesale or retail, and whether or not in conjunction with any other business and shall include master weavers of handloom cloth ;

(c) "manufacturer" means a person engaged in the production of cloth or yarn or both, including any process ancillary to such production, like dyeing, bleaching, embroidering, printing and finishing ; and "manufacture" shall be construed accordingly ;

(d) "Textile Commissioner" means the Textile Commissioner appointed by the Central Government and includes such Additional Textile Commissioners as may be appointed by the Central Government.

4. (1) The Central Government may constitute a Textile Control Board (hereinafter referred to as the Board, consisting of 25 to advise the Central Government through the Textile Commissioner generally on matters connected with the purposes of this Order (including matters connected with the export of cloth, yarn and raw cotton) and in particular in respect of the functions of the Textile Commissioner under clause 10 and 11.

Provided that the Central Government may appoint a substitute member when, for any reason, a member of the Board is unable to attend to his duties as such member, for such period as, in the opinion of the Central Government necessitates the appointment of a substitute. Such substitute member shall have and exercise during the period he is so appointed all the powers, duties and privileges including the power to vote at all meetings as the member in whose place he has been appointed had.

(2) The Chairman of the Board shall be such non-official member thereof as the Central Government may designate in this behalf.

5. (1) The Board may by resolution form from among its members such Committees as it thinks expedient to exercise on its behalf such of its functions as may be specified in the resolution ;

Provided that any such Committee formed for the purposes of advising on technical matters connected with the purposes of this Order and in particular on matters relating to the fixation of prices, increase in production, standardization and rationalisation shall be composed only of members representing the Textile Industry, and subject to the provisions of clause 9 its advice on all such matters shall ordinarily be acted upon.

(2) Any such Committee shall not exceed fifteen in number and it shall elect a Chairman from among its members.

6. Any Committee of the Board may co-opt such additional members not exceeding ten in number as it thinks fit and having special knowledge of the subject with which the Committee is concerned and the members so co-opted shall have the same rights as the other members of the Committee.

7. (1) A Committee of the Board may, by a resolution, form from amongst its members a Standing Sub-Committee to exercise on its behalf such of its functions as may be specified in the resolution.

(2) Any such Standing Sub-Committee shall not exceed five in number, and if the Chairman of the Committee is a member of the Standing Sub-Committee he shall be the Chairman thereof.

8. The Board may in consultation with the Central Government make rules to regulate the calling of, and procedure at, meetings of the Board, Committees and Standing Sub-Committees (including the fixing of quorum).

9. (1) The Board or any Committee or Standing Sub-Committee acting in the exercise of the functions assigned to it under clause 5 or as the case may be clause 7 may tender advice to the Central Government through the Textile Commissioner on matters connected with the purposes of this Order and in particular in respect of the functions of the Textile Commissioner under clauses 10 and 11.

Provided that if the Textile Commissioner is unable to recommend to the Central Government to accept the advice

so tendered he shall refer the matter back to the Board, Committee or Standing Sub-Committee as the case may be for further consideration.

(2) If after such reference the Textile Commissioner is still unable to recommend to the Central Government to accept any advice so tendered by the Board or any Committee or Standing Sub-Committee, he may, or if the Chairman of the Board so required shall, refer the question for the decision of the Central Government who shall consult the Board or the Committee or Standing Sub-Committee as the case may be before giving its decision.

(3) Before issuing any notification under clause 10 or any direction under clause 11 otherwise than in pursuance of advice tendered to him by the Board or a Committee or Standing Sub-Committee, the Textile Commissioner shall consult the Chairman of the Board, who shall refer the question to the Board or, in his discretion to the appropriate Committee or the Standing Sub-Committee.

(4) The Textile Commissioner may refer any matter on which he desires advice, or make any proposal, to the Chairman of the Board who shall refer the same to the Board or, in his discretion to the appropriate Committee or Standing Sub-Committee.

(5) If the opinion of the majority of members of the Board or any Committee or Standing Sub-Committee, as the case may be, present at the meeting at which the question is discussed is adverse to the Textile Commissioner's proposal, he shall, if he does not accept the advice of such majority, refer the question for the decision of the Central Government who shall consult the Board or the Committee, as the case may be, before giving its decision.

10. Subject to the provisions of sub-clause (3) of clause 9, the Textile Commissioner may, by notification in the *Gazette of India*, specify

(a) the maximum quantity of handloom cloth which may be stocked by any dealer and the maximum period for which he may hold such stocks ;

(b) the maximum prices, ex-factory, wholesale and retail, at which any class or specification of cloth or yarn may be sold ;

(c) the markings to be made by the manufacturers and dealers on any class or specification of cloth or yarn manufactured or sold by them, and the time and manner of making those markings.

10A. (1) The Textile Commissioner may, for the purposes of a notification under sub-clauses (b) and (c) of clause 10 relating to cloth or yarn imported from outside India provide in such notification for the determination of the landed cost of such cloth or yarn, the issue of certificates as to such landed cost and the charging of fees therefor.

(2) Every importer of cloth or yarn from outside India shall submit within such time, in such form, and to such authority such information relating to the clearance, location, cost and other matters relevant for the determination of the landed cost under sub-clause (1) as may be specified by the Textile Commissioner by notification in the *Gazette of India*.

10B. Notwithstanding anything contained in clause 10, the Provincial Government or an officer authorised by the Provincial Government in this behalf may fix

(a) the ex-factory maximum price for the purposes of the special markings under clause 15-A in respect of any type of cloth for which such price has not been specified by the Textile Commissioner under clause 10 ;

(b) the maximum prices, ex-factory, wholesale and retail, at which cloth produced by a manufacturer or other person referred to in the explanation to sub clause (2) of clause 13 may be sold and may further specify the markings to be made on such cloth and the time and manner of making them.

11. Subject to the provisions of sub-clause (3) of clause 9, the Textile Commissioner may, from time to time, issue directions in writing to any manufacturer regarding the classes or specifications of cloth or yarn, and the maximum or minimum quantities thereof, which he shall or shall not manufacture during such periods as may be specified in the directions, and the manufacturer shall comply with all such directions.

12. (1) No manufacturer or dealer shall sell or offer to sell any cloth or yarn at a price higher than the maximum price specified in this behalf under clause 10 or under sub-clause (b) of clause 10-B.

(2) Every sale of cloth or yarn by a dealer, except to a consumer, shall be at a price either F. O R. station of despatch or ex-godown of storage at the buyer's option ;

Provided that the commission of a Commission Agent shall be paid by the buyer.

(2A) No person acting as a Commission Agent in respect of a sale of cloth or yarn (to which sub-clause (2) applies) shall receive a commission which exceeds $\frac{1}{2}$ per cent. of the maximum price of the cloth or yarn the subject matter of such sale.

(3) Every dealer shall exhibit on his premises a true copy of each of the notifications that may have been or may hereafter be issued by the Textile Commissioner under

clause 10 specifying the maximum prices at which cloth or yarn may be sold.

(4) No manufacturer or dealer shall, without sufficient cause, refuse to sell cloth or yarn to any person.

Explanation.—The possibility or expectation of obtaining a higher price at a later date shall not be deemed to be a sufficient cause for the purposes of this sub-clause.

13. (1) Where the markings to be made and the time and manner of marking them in respect of any class or specification of cloth or yarn have been specified under clause 10 or 10B.

(a) the manufacturer of, or as the case may be the dealer in, such cloth or yarn shall cause the markings to be made thereon at the time and in the manner specified ;

(b) no person other than such manufacturer or dealer shall cause the markings to be made on any such cloth or yarn ;

(c) no person other than the manufacturer thereof shall have in his possession or under his control any such cloth or yarn which is not so marked, unless it be for *bona fide* personal requirements ;

(d) no person shall alter or deface or cause or permit to be altered or defaced the markings made on any such cloth or yarn held by him otherwise than for his *bona fide* personal requirements ;

(e) no person shall make on any cloth or yarn any other markings resembling the prescribed markings in a manner calculated to mislead ;

(f) no person shall have in his possession or under his control otherwise than for his *bona fide* personal requirements any cloth or yarn the markings whereon are

altered or defaced or are of the character specified in paragraph (e).

(2) No manufacturer shall sell or deliver any cloth or yarn of which the maximum prices have not been specified by the Textile Commissioner under clause 10 ;

Provided that a manufacturer who has applied to the Textile Commissioner for the fixation of the price of such cloth or yarn may, before the price thereof are notified, deliver any such cloth or yarn marked with prices provisionally sanctioned by the appropriate member of the Industry's Committee of the Board, and in relation to the cloth or yarn so delivered, the prices marked shall be deemed to have been fixed under this Order.

Expalnation. Nothing in this sub-clause applies to a manufacturer who does not manufacture any yarn and who had in his possession or under his control not more than 24 powerlooms on the 1st January, 1944, or to any person engaged solely in any process ancillary to the production of cloth or yarn.

(3) No person shall use for the purpose of weaving cloth any yarn (other than handspun yarn) the maximum price of which has not been fixed by the Textile Commissioner under clause 10.

14. (1) No dealer shall, after the 31st December, 1944, buy or sell or have in his possession :—

(a) any cloth or yarn manufactured in India before the 1st August, 1943 ;

(b) any cloth or yarn manufactured in India and packed after the 31st July 1943 and before the 1st January 1944.

(2) No manufacturer or dealer shall buy or sell or have in his possession any cloth or yarn, whether manufactured in India or elsewhere, other than that referred to in

sub-clause.(1), after the expiration of twelve months from the last day of the month marked on the cloth or yarn in accordance with directions of the Textile Commissioner under clause 10 ; and no person shall buy or sell or have in his possession any such cloth or yarn in unopened bales or cases after the expiration of six months from the said date.

(3) For the purposes of this clause :—

(i) cloth or yarn shall be deemed to be in the possession of a person when it is held on behalf of that person by another person ;

(ii) a bale or case shall be deemed to be unopened if the hoops or other bindings and all outer covering have not been removed ;

(iii) cloth or yarn of Indian manufacture not bearing any markings in accordance with the directions of the Textile Commissioner under clause 10 shall, unless the contrary is proved, be deemed to have been manufactured in India before the 1st August, 1943.

(4) Nothing in this clause shall apply to handloom cloth.

15. The Textile Commissioner may by general or special order exempt any cloth or yarn, or any class of cloth or yarn, from all or any of the provisions of clauses 13 and 14.

15A. Notwithstanding anything contained in clauses 14 (1) and 14 (2), cloth or yarn not disposed of within the period specified in those clauses may be kept and sold by a dealer subject to the conditions notified in this behalf by the Textile Commissioner prescribing in the special markings to be made on such cloth or yarn the agency by which the marking shall be made and the fee payable for such marking ;

Provided, however, that no such cloth or yarn shall be kept undisposed of by any dealer, or by any person holding on behalf of a dealer, for more than six months after the date of such marking.

16. Where, in pursuance of a notification under clause 10 or clause 15A any piece of cloth is required to be marked at one end with the price at which it is to be sold retail, and the piece is not sold as a whole, that portion of the piece containing the price marking shall be sold last by the dealer.

17. Every manufacturer, every dealer and every person to whom any stocks of cloth or yarn have been pledged by a manufacturer or dealer, shall declare the stocks of cloth and yarn held by him on such dates in such form and to such authority as may be specified by the Textile Commissioner by notification in the *Gazette of India*.

18. (1) No manufacturer shall, save with the permission of the Textile Commissioner, at any time hold—

(a) stocks of cloth exceeding the total quantity manufactured by him during the preceding three months; or

(b) stocks of yarn exceeding—

(i) in the case of a person engaged in the manufacture of yarn alone, the quantity of yarn manufactured by him during the preceding two months;

(ii) in the case of a person engaged in the manufacture of cloth alone, the quantity of yarn reasonably required by him for manufacturing cloth during the next three months; and

(iii) in the case of a person engaged in the manufacture of both cloth and yarn, the sum total of the quantity of yarn reasonably required by

him for the manufacture of cloth during the next three months and the amount equal to the yarn manufactured by him during the preceding three months surplus to his own requirements during that period.

For the purposes of this sub-clause, cloth on looms and yarn in process of manufacture into cloth shall not be taken into account in computing the stocks held by the manufacturer.

(2) No dealer or other person not being a manufacturer shall, save with the permission of the Textile Commissioner, at any time, hold stocks of cloth or yarn in excess of his normal requirements.

Explanation.—In the case of a person engaged in manufacturing from cloth or yarn articles such as ropes, tapes, newar, bandages or canvas, his normal requirements of cloth or as the case may be, of yarn for the purposes of this sub-clause shall be deemed to be the quantity of cloth or yarn used by him during the preceding three months in such manufacture

(3) Nothing in sub-clause (2) shall be deemed to apply in relation to the possession by any person carrying on the business of banking of cloth or yarn pledged with him by a dealer or manufacturer.

(4) For the purposes of the sub-clauses (1) and (2) any cloth or yarn agreed to be sold to a dealer by a manufacturer and of which delivery has not been taken by the due date shall be deemed to be held by the dealer and not by the manufacturer.

18A. (1) No manufacturer shall, save in accordance with the general or special permission of the Textile

Commissioner or in compliance with a direction given under clause 18B—

(a) sell or agree to sell cloth or yarn to any person who—

(i) is not a licensed dealer under the rules framed in this behalf by the Provincial Government ; and

(ii) did not as a dealer buy any cloth or yarn from him at any time during the years 1940 and 1942 ;

(b) during any quarter deliver to any dealer, whether in pursuance of a pre-existing contract or otherwise, cloth or yarn in excess of his quota determined under sub-clause (2).

(2) For purposes of sub-clause (1) (b) a dealer's quota of cloth shall bear to the value of the total deliveries of cloth made to all dealers during the quarter by the manufacturer concerned the same proportion as the value of the the total deliveries of cloth made to that dealer during the year, 1940, 1941 and 1942 bore to the value of the total deliveries of cloth made to all dealers during the same years by the same manufacturer ; and a dealers' quota of yarn shall be similarly determined.

(3) Every manufacturer shall maintain a register of contracts and deliveries and shall submit returns in such form and at such time as the Textile Commissioner may prescribe.

18B. (1) The Textile Commissioner may, with a view to securing a proper distribution of cloth or yarn or with a view to securing compliance with this Order, direct any manufacturer or dealer, or any class of manufacturers or dealers—

(a) to sell to such person or persons such quantities of cloth or yarn as the Textile Commissioner may specify ;

(b) Not to sell or deliver cloth or yarn of a specified description except to such person or persons and subject to such conditions as the Textile Commissioner may specify ;

(c) to furnish such returns or other information relating to his or their undertaking, and in such manner, as the Textile Commissioner may specify ; and may issue such further instruction as he thinks fit regarding the manner in which the direction is to be carried out.

(2) Every manufacturer or dealer shall comply with the directions and instructions given under sub-clause (1).

19. The Textile Commissioner may with a view to securing compliance with the Order,—

(a) require any person to give any information in his possession with respect to any business carried on by that or any other person ;

(b) inspect or cause to be inspected any books or other documents belonging to or under the control of any person ;

(c) enter and search, or authorise any person to enter and search any premises and seize, or authorise any person to seize any cloth or yarn in respect of which he has reason to believe that a contravention of this Order has been committed

20. If any person with the intention that any provision of this Order may be evaded refuses to give any information lawfully demanded from him under clause 19, or conceals, destroys, mutilates or defaces any book or other document, he shall be deemed to have contravened the provision of this Order.

21A. Textile Commissioner may, with the sanction of the Central Government and by general or special order

in writing, authorise any person to discharge on his behalf all or any of his functions under this Order.

22. A court trying any contravention of this Order may, without prejudice to any other sentence which it may pass, direct that any cloth or yarn in respect of which it is satisfied that such contravention has occurred shall be forfeited to His Majesty.

23. No prosecution for the contravention of any of the provisions of this Order shall be instituted without the previous sanction of the Provincial Government or of such officer of the Provincial Government not below the rank of District Magistrate as the Provincial Government may, by general or special order in writing, authorise in this behalf.

Circular No. 53/45

The 30th July, 1945

TO

ALL THE MEMBERS OF THE ASSOCIATION

DEAR SIR/S,

Re : The Cloth and Yarn (Export Control) Order, 1945

I beg to circulate hereunder, for your information and necessary action, copy of Notification No. 67-C.W(15)/45, dated the 21st July 1945, issued by the Government of India, Department of Commerce (Commerce - War), promulgating the Cloth and Yarn (Export Control) Order, 1945 in supersession of the existing Cloth and Yarn (Export Control) Order, 1944. The Order comes into force at once.

Yours faithfully,

JOTINDRA MOHAN DEY

Hony. Secretary

- Copy of Notification No. 67-C.W.(15)/45, dated the 21st July 1945, issued by the Government of India, Department of Commerce (Commerce-War)

In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules and in supersession of the Cloth and Yarn (Export Control) Order, 1944, and of all notifications amending the same, the Central Government is pleased to make the following Order and to direct with reference to sub-rule (1) of rule 119 of the said Rule that notice of the Order should be given by the publication of the same in the official Gazette :—

THE CLOTH AND YARN (EXPORT CONTROL)
ORDER, 1945.

1. (1) This Order may be called the Cloth and Yarn (Export Control) Order, 1945.

(2) It shall come into force at once.

2. In this Order, unless there is anything repugnant in the subject or context—

(a) “export” means to take out of British India by land, sea or air to any place outside India or to any Tribal area or Indian State beyond the Western and Northern boundaries of the North-West Frontier Province ;

(b) “exporter” means a person holding a valid export licence issued by or under the order of an *Export Trade Controller* authorising him to export cloth or yarn :

(c) “Export Trade Controller” means an Export Trade Controller appointed by the Central Government and includes any other officer authorised by the Central Government to perform all or any of the functions of an Export Trade Controller under this Order.

· (d) “Standard price”, in relation to any cloth or yarn, means the ex-factory maximum price which has been

notified by the Textile Commissioner under the provisions of the Cotton Cloth and Yarn (Control) Order, 1945, as applicable during the period specified in sub-clause (8) of clause 4, for cloth or yarn or the same class or specification.

(e) "Cloth", "Yarn", "Dealer", "Manufacturer" and "Textile Commissioner" shall have the meanings respectively assigned to them in the Cotton Cloth and Yarn (Control) Order, 1945 ;

(f) "Export price" in relation to any consignment of cloth or yarn exported means,

(1) in case of export by sea,—f. o. b. price,

(2) in case of export by land or air—f. o. r. price with reference to the railway station nearest the place of export less an amount equal to the railway freight thereon as calculated by the direct route from the railway station nearest the place of manufacture to the station nearest the place of export.

2.A (1) No person other than a manufacturer shall sell, offer to sell or store for sale to an exporter any cloth or yarn intended for export except under and in accordance with a licence granted by the Textile Commissioner.

(2) Application for such licence shall be made in such form as the Textile Commissioner may prescribe.

(3) The Textile Commissioner may in his discretion refuse to grant a licence to any person, and his decision shall be final.

(4) The fee for the grant of a licence shall be Rs. 1,000; .

Provided that the Textile Commissioner may reduce or remit the fee in such individual cases as he may think fit.

(5) The Textile Commissioner may specify in the licence the conditions, if any, under which it is issued and the licence shall comply with those conditions.

(6) Subject to the provisions of sub-clause (7), the licence shall be valid for the period specified therein but may be renewed.

(7) If the holder of licence has supplied incorrect information in his application or in any return submitted by him under sub-clause (10), or if he contravenes any condition of the licence, or at any time the Textile Commissioner is satisfied that for any other reason the licensee is not a fit person to hold the licence, the Textile Commissioner may, without prejudice to any other action which may be taken against him, cancel or suspend his licence.

(8) Any person aggrieved by the Order of the Textile Commissioner under sub-clause (7) may, within thirty days from the date of such Order, appeal to the Central Government, and subject only to such decision the Order of the Textile Commissioner, shall be final.

(9) The holder of a licence granted under this clause may hold, in addition to the stock of cloth or yarn permissible under clause 18 of the Cotton Cloth and Yarn (Control) Order, 1945, stocks of cloth or yarn intended for export not exceeding the maximum stock specified in his licence.

(10) Every person holding a licence shall maintain a register of contracts and deliveries, and shall submit returns in such form and at such times as the Textile Commissioner may prescribe.

2-B. Save in accordance with the permission of the Textile Commissioner and subject to such conditions as

he may impose as to the selling prices, the markings to be made or otherwise, no person shall sell or agree to sell any cloth or yarn manufactured for export to any person who does not hold —

(i) a valid export quota or licence granted by an Export Trade Controller ; or

(ii) licence granted by the Textile Commissioner under clause 2-A.

2-C. No person shall, save in accordance with the general or special permission of the Textile Commissioner sell or agree to sell for export cloth or yarn which has been marked with prices in accordance with any notification of the Textile Commissioner under clause 10 of the Cotton Cloth and Yarn (Control) Order, 1945.

2-D. No person shall, save in accordance with the general or special permission of the Textile Commissioner sell or agree to sell for export cloth or yarn of any class or specification, other than cloth manufactured on handloom, the standard price whereof has not been specified under clause 10 of the Cotton Cloth and Yarn (Control) Order, 1945.

3. (1) The Central Government may, by notification in the official Gazette, direct that, from such date as may be specified in the notification, all cloth or yarn exported or intended for export and the packing thereof shall conform to such minimum standards and specifications, and shall bear such markings made at such time and in such manner, as may be specified in the notification ; and thereupon no person shall sell or otherwise dispose of, and no person shall buy or otherwise acquire, for export any cloth or yarn which does not conform to those directions :

Provided that the Central Government or the Textile Commissioner may, by general or special order, exempt any

cloth or yarn, or any class of cloth or yarn, from the provisions of this sub-clause.

(2) The Textile Commissioner or any person authorised by him in this behalf may, with a view to securing compliance with sub-clause (1),

(a) enter and search any premises where cloth or yarn intended for export are manufactured or stored ;

(b) inspect or cause to be inspected any cloth or yarn intended for export ;

(c) seize, or cause to be seized, any cloth or yarn, in respect of which he has reason to believe that a contravention of sub-clause (1) has been committed.

4. (1) The provisions of this clause shall apply only in relation to export of cloth or yarn to such places or countries as the Central Government may, by notification in the official Gazette, specify in this behalf.

(2) No manufacturer shall sell, or agree to sell, for export any cloth or yarn at an ex-factory price which exceeds its standard price by more than 7 per cent thereof.

(2a) No person holding a licence under clause 2-A shall sell or offer to sell for export any cloth or yarn at a price which exceeds its standard price by more than 10 per cent, thereof.

(3) No cloth or yarn shall be exported except by or through the agency of, an exporter.

(4) Every exporter shall within 30 days of the export of any consignment of cloth or yarn, produce before the Export Trade Controller concerned the invoice or invoices (in duplicate) pertaining to the consignment and giving such details as to quantity and description of goods

consigned, export price of the goods, commission payable by the exporter to any selling agent outside India and other matters as the Export Trade Controller may by general or special order require to be given.

(5) No person shall export any cloth or yarn the export price of which, as determined from the invoices mentioned in sub-clause (4), exceeds its standard price,

(a) by more than 12 per cent. thereof, in a case where the exporter is himself the manufacturer of the cloth or yarn exported ; or

(b) by more than 20 per cent. thereof, in any other case ;

Provided that where the exporter satisfied the Export Trade Controller concerned that he had, or has, to pay commission to a selling agent outside India in respect of the export, the percentages specified in this sub-clause may be increased to cover the commission, but not so as to make them more than $14\frac{1}{2}$ per cent respectively.

(6) The Central Government may by notification in the official Gazette, vary the percentages mentioned in sub-clauses (2) and (5) in respect of exports to such places or countries as may be specified in the notification.

(7) The Central Government may, by general or special order, exempt any, cloth or yarn, or any class of cloth or yarn, or any transactions in cloth or yarn, from all or any of the provisions of sub-clause (2) and (5).

(8) For the purposes of sub-clauses (2), (2a), the standard price shall be determined with reference to the date of the contract of sale and for the purpose of sub-clause (5) it shall be determined with reference to the date on which the exporters made the contract with the manufacturer or the export-wholesale dealer, as the case

may be ; provided that where manufacturers are themselves exporters, the standard price shall be determined with reference to the date of the contract between the manufacturer and the overseas importer concerned against a valid export quota held by the former.

Notwithstanding the foregoing, the standard price shall be assumed to be that in force on the 1st January 1945 up to the limit of 50 per cent. of the quota allotted to each exporter for the first half year (January to June) of 1945 in respect of contracts entered into before the 31st March 1945 between

(a) exporters and suppliers, and

(b) manufacturers who are themselves exporters and the overseas importers.

(9) Notwithstanding anything to the contrary contained in sub-clauses (2), (2a) and (5), the seller or exporter may add to the sale price or the export price of any export cloth or yarn sold or exported by him—

(a) the amount of the sales tax, octroi or other local tax or cess paid in respect of such cloth or yarn, and

(b) the amount of the actual freight incurred in transporting such cloth or yarn to the place at which it is delivered or shipped for export if such place is more than 100 miles from the place of manufacture ; provided that such addition shall not exceed the amount of the freight which would have been incurred for the transport by direct route of such cloth or yarn by the means of transport ordinarily employed.

5. Any Export Trade Controller may with a view to securing compliance with this Order—

(a) require any person to give any information, or produce any document, in his possession with respect to any business carried on by that or any other person ;

(b) require any manufacturer or dealer to furnish returns in respect of cloth or yarn sold by him for export and the prices charged therefor ;

(c) inspect or cause to be inspected any cloth or yarn sold, or intended to be sold, for export ;

(d) seize or cause to be seized any cloth or yarn in respect of which he has reason to believe that a contravention of this Order has been committed. ,

6. No person shall refuse to give any information, produce any document, or furnish any return, lawfully demanded from him under clause 5.

7. A Court trying any contravention of this Order may, without prejudice to any other sentence which it may pass, direct that any cloth or yarn in respect of which it is satisfied that such contravention has occurred shall be forfeited to His Majesty.

8. Anything done under any of the provisions of the Cloth and Yarn (Export Control) Order, 1941, shall be deemed to have been done under the corresponding provisions of this Order.

Circular No. 54/45

The 30th July, 1945

TO

ALL MEMBERS OF THE ASSOCIATION

DEAR SIR/S,

I beg to circulate, hereunder, for your information and necessary action, copies of the following two notifications

issued by the Government of India, Department of Commerce, in exercise of the powers conferred by sub-clause (1) of clause 4 and sub-clause (1) of clause 3 of the Cloth and Yarn (Export Control) Order, 1945.

JOTINDRA MOHAN DEY,

Hony. Secretary

*Copy of Notification No. 67-C.W.(15A)45, dated the
21st July 1945, issued by the Government of
India, Department of Commerce*

In pursuance of sub-clause (1) of clause 4 of the Cloth and Yarn (Export Control) Order, 1945, published in the *Gazette of India*, dated the 21st July 1945, the Central Government is pleased to direct that the provisions of the said clause shall apply in relation to export of cloth or yarn to the following territories, namely :—

Aden including Yemon, and Hadramaut, Saudi Arabia, Ethiopia, Eritrea, French Somaliland, Afghanistan, Arab State in the Persian Gulf, Australia, Belgian Congo, British East Africa, Nyasaland and Italian Somaliland, British East Africa including Nigeria, China, Ceylon, Cyprus, Netherlands East Indies, Egypt, French Equatorial Africa including Chad and Gabbon, French Cameroons, French West and North Africa, Iraq, Mauritius, New Zealand, North and South Rhodesia, Palestine, Transjordan, Persia, Portugese East Africa, Seychelles, Sudan, Syria and Lebanon, Turkey, Union of South Africa, Nepal, British Pacific Islands, French Pacific Islands, Madagascar Re-Union, Maldives, Tibet and Burma.

With reference to sub-rule (1) of rule 119 of the Defence of India Rules, the Central Government is pleased to direct that the above notification shall be published in the *Official Gazette*.

*Copy of Notification No. 67-C.W. (15B)/49, dated the
21st July, 1945, issued by the Government of
India, Department of Commerce*

In exercise of the powers conferred by sub-clause (1) of clause 8 of the Cloth and Yarn (Export Control) Order, 1945, published in the *Gazette of India*, dated the 21st July, 1945, the Central Government is pleased to direct that all cloth other than handloom cloth and all yarn which is exported or intended for export and which is packed on or after the 1st February 1945, shall bear the following markings :

(i) The words "For Export only"

(ii) (a) *For power-loom and Mills—*

Tex Mark, serial No. and width of cloth as shown in Schedule B, or any subsequent Schedule or notification No. 34-Tax-A-(15)-2'43, dated the 31st December 1943, issued by the Textile Commissioner and the month of packing.

The word "Fine" for cloth in which the count of warp yarn is 36's or finer whether single or folded.

In the case of cloth in which the count of warp yarn is 48's or finer (whether single or folded) the word (Super) shall also be stamped in brackets after the word "fine".

(b) *For Cotton yarn—*

Count number, particulars whether cotton used is Indian or foreign and whether the yarn is 'Carded or combed'.

(c) *For Cloth and yarn—Processed by a processor—*

(1) Tex mark of the Processor.

(2) Month of manufacture.

(3) The number indicating Tex Mark of the mill which manufactured the grey or the original cloth or yarn.

(4) (a) Serial number and width of the grey of the original cloth as appearing in Schedule B, or any subsequent Schedule of notification No.3-4-Tax. A (15)-2/43, dated the 31st December 1943, issued by the Textile Commissioner.

(b) Count number of the "Yarn" as appearing in the latest Schedule fixing ceiling prices for Yarn of notification No. 34-Tex-A-(15)-2 43, dated the 31st December 1943, issued by the Textile Commissioner.

In the case of cloth, the markings shall be stamped on each piece at a distance not exceed one yard from the end and shall be in letters and figures of not less than $\frac{1}{2}$ " in height.

In the case of yarn the markings shall be on the wrapper of the bundles etc., or on labels. The markings shall be in capital letters and all the letters and figures shall be of the same height.

With reference to sub-rule (1) of rule 119 of the Defence of India Rules, the Central Government is pleased to direct that the above Notification shall be published in the *Gazette of India*.

Yours faithfully,
JOTINDRA MOHAN DEY,
Hony. Secretary.

Circular No. 8-46

March 7, 1946

To

ALL THE MEMBER OF THE ASSOCIATION

Dear Sirs,

I am directed to reproduce below for your information The Bengal Cotton Cloth and Yarn Control Order,

1946, as published in the Calcutta Gazette in its extraordinary issue of 27th February, 1946,

Yours faithfully,

J. M. DEY,

Hony. Secretary.

THE CALCUTTA GAZETTE

Extraordinary

PUBLISHED BY AUTHORITY

Wednesday, February 27, 1946

Part I—Orders and Notifications by the Governor of Bengal, the High Court, Government Treasury, etc.

Government of Bengal

DEPARTMENT OF CIVIL SUPPLIES

The Bengal Cotton Cloth and Yarn Control Order, 1946.

No. 2281D.C.S.—18th February 1946.—In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules, the Governor is pleased to make the following Order and to direct with reference to sub-rule (1) of rule 119 of the said rule that notice of the Order shall be given by the publication of the same in the *Official Gazette* and by the issue of a Press Note summarising and explaining its provisions :—

1. (i) This Order may be called the Bengal Cotton Cloth and Yarn Control Order, 1946.

(ii) It extends to the whole of Bengal, except the Chittagong Hill-tracts.

(iii) It shall come into force on the 1st of March 1946.

2. The Bengal Cotton Cloth and Yarn Control Order, 1945, is hereby repealed :

Provided that anything done under any provision of that Order before the 1st of March 1946 shall be deemed to have been done under the corresponding provisions of this Order :

Provided further that any reference in any order issued under the Defence of India Rules or in any notification issued thereunder to any provision of the Bengal Cotton Cloth and Yarn Control Order, 1945, shall, unless a different intention appears, be construed as a reference to the corresponding provision of this Order.

3. In this Order, unless there is anything repugnant in the subject or context.—

- (a) "broker" means a person employed by a dealer to buy cloth or yarn or both from another dealer or to sell cloth or yarn or both to another dealer :
- (b) "Calcutta" means the town of Calcutta as defined in section 3 of the Calcutta Police Act, 1866, together with the suburbs of Calcutta as defined by notification under section 1 of the Calcutta Suburban Police Act, 1866 ;
- (c) "cloth" and "yarn" mean respectively any type of cloth and yarn either manufactured wholly from cotton or manufactured partly from cotton and partly from any other material and containing not less than ten per centum cotton by weight, and "cloth" includes cloth made into garment and yarn made into hosiery goods, but does not include articles which are Indian woolen goods as defined in the Indian Woolen Goods (Control) Order, 1944 ;

- (d) "commission agent" means a person authorised by a dealer to buy a cloth or yarn or both on his behalf ;
- (e) "Controller" means in Calcutta, the Director of Textiles and elsewhere, the Officer appointed by the Director-General to perform the functions of the Controller under this Order ;
- (f) "dealer" means a person other than a manufacturer, engaged in the business of buying and selling or storing for sale cloth or yarn or both, whether or not in conjunction with any other business, and includes a quota-holder, an importer, a wholesale dealer, a retail dealer, a hawker, a commission agent, a broker, a mill's selling agent, a dealer in hosiery goods or yarn, a dealer in ready-made garments of cloth, the proprietor of a tailoring establishment ;
- (g) "dealer in ready-made garments" means a person who engages in the business of buying and selling or making and selling or storing for sale ready-made garments other than dhotis and saris ;
- (h) "Director of Textiles" means the Director of Textiles appointed by the Provincial Government and include any Additional Director of Textiles or any Officers authorised by the Director-General by order in writing to perform all or any of the functions of the Director of Textiles under this Order ;
- (i) "Director-General" means the Director-General of Civil Supplies, Consumer Goods, appointed by the Provincial Government ;

- (j) "Director-General of Enforcement" means the Director-General of Civil Supplies, Enforcement, appointed by the Provincial Government ;
- (k) "hawker" means a person who goes from place to place or from house to house carrying or exposing for sale for consumption by the purchasers, cloth or yarn or both, or samples of cloth or yarn or both to be afterwards delivered to such purchasers ;
- (l) "importer" means a person other than quota-holder who imports cloth or yarn or both into the province of Bengal for sale ;
- (m) "manufacturer" means a person engaged in the manufacture of cloth and yarn or both and includes a person who uses cloth or yarn or both as an accessory, in the course of his trade, business or profession, but does not include a processor, weaver or a person who makes garments from cloth ;
- (n) "mills selling agent" means a person appointed by a mill to receive cloth or yarn or both from the mill for distribution to dealers to whom the mill is permitted to sell its cloth or yarn ; •
- (o) "processor" means a person other than a manufacturer or weaver who is engaged in the work of carrying out any process on cloth or yarn, such as dyeing, bleaching, printing, embroidering or any similar process, which effect some permanent or semi-permanent change in the appearance of the cloth or yarn, but does not include a person who carries out any such process only on cloth and yarn supplied by his customer ;

(p) "quota-holder" means a person who obtains cloth or yarn or both directly from a mill situated in India at the ex-mill price by virtue of his having purchased cloth or yarn from that mill during the years 1940, 1941 and 1942 ;

(q) "retail dealer" means a dealer who sells cloth for consumption by the purchasers only and sells yarn to weavers only, and includes a tailoring establishment ;

(r) "Textile Licensing Officer" means,—

(i) in Calcutta, the officer appointed as such by the Provincial Government and includes any other officer appointed by the Director-General of Enforcement to perform the functions of the Textile Licensing Officer under this Order ; and

(ii) elsewhere the Sub-divisional Magistrate and includes any other officer appointed by the District Magistrate to perform the functions of the Textile Licensing Officer under this Order ;

(s) "weaver" means a person who manufactures cloth from yarn solely by manual power and includes a master weaver ;

(t) "wholesale dealer" means a dealer who sells cloth or yarn or both to a manufacturer or to another dealer.

4. No person shall engage in any undertaking which involves the manufacture, purchase, sale or storage for sale of cloth or yarn or both unless he holds a licence in this behalf under this Order and except in accordance with the conditions specified in such licence :

Provided that all persons manufacturing hosiery goods by using hand-plant and charka spinners shall be exempt from the operation of the provisions of this paragraph.

5. All applicants for licences and renewal of licences under this Order shall, for the purposes of this Order, be classified under one of the groups specified in Schedule I to this Order and the licence fees payable by persons classified under any of the said groups shall be the amount specified against that group.

6. (1) All applications for the issue of licences under this Order shall be made to the Textile Licensing Officer in Form A as set forth in Schedule II to this Order.

(2) The licence fee referred to in paragraph 5 shall be paid in non-judicial stamps and shall be filed along with the application for licence or renewal of licence and no licence shall be issued unless the licence fees in respect thereof under the said paragraph have been paid.

7. Licences under this Order shall be issued by the Textile Licensing Officer in Form B as set forth in Schedule II to this Order.

8. The Textile Licensing Officer may, for reasons to be recorded in writing, refuse to grant a licence under this Order.

9. Notwithstanding anything contained in this Order the Director-General or the Director-General of Enforcement may, without assigning any reason, direct that any application for a licence or for the renewal of a licence be refused or that a licence already granted or renewed be suspended or cancelled.

10. (1) Every licence issued under this Order shall specify

(a) the class of business in respect of which the licence is granted ;

(b) the premises or the area in which the licence shall carry on business ; and

(c) the premises or places where cloth and yarn may be stored by the licensee.

(2) A licence issued under this Order shall ordinarily authorise the licensee to carry on business in any of the manners specified in the different items of the particular group in Schedule I to this Order under which he has been classified under paragraph 5 ;

Provided that it shall be competent for the Textile Licensing Officer to restrict the licensee to the carrying on of business in the manner specified in any one or more of the items of the particular group under which he has been classified.

(3) A licensee who has been classified under any of the groups specified in Schedule I to this Order and has been granted a licence under this Order authorising him to carry on business in the manner specified in any or all of the items under that group, shall not carry on business in the manner specified in any of the items under any other group in that Schedule unless he holds a separate licence issued to him in that behalf under this Order.

(4) No licensee shall carry on his business or store any cloth or yarn to which the licence relates except in the premises, area of places, as the case may be, specified in his licence.

(5) If the licensee intends to store any cloth or yarn in any place, premises or godown other than one of those already mentioned in the licence, he shall intimate the address of such place, premises or godown to the Controller and the Textile Licensing Officer and shall not store any cloth or yarn in such place premises or godown until the Textile Licensing Officer has endorsed it on the licence.

(6) If the licensee is carrying on business in more than one place, a separate licence shall be taken for every such place of business :

Provided that where a licensee is a retail dealer and carrying on business in more than one place, he may take out a consolidated licence in respect of issue of such licence on payment of a licence fee in accordance with the scale specified in Schedule III :

Provided further that if a licensee who has taken out a consolidated licence under the first provision opens one or more new places of business after the date of issue of such consolidated licence for carrying on business as a retail dealer, a separate licence for each such new place of business opened may be granted under this Order on payment by such licence fee at the rate of Rs. 8 for each such new shop, but the total amount of the licence fee paid in respect of such a consolidated licence and the amount of the licence fees payable in respect of all places of business opened after the issue of such consolidated licence shall in no case exceed five hundred rupees.

Explanation.—For the purposes of this sub-paragraph, a godown, or any other premises or place where cloth or yarn to which the licence relates is stored shall not be deemed to be a separate place of business.

(7) Every licensee who has been classified under Group F, specified in Schedule I, to this Order and has been granted a licence under this Order in respect of one or more handlooms shall paint or cause to be painted clearly in English numerals not less than three inches in height, in the case where the licence has been granted in respect of the handloom, the number allotted to the licence in a prominent place on such handlooms and, in the case where the licence has been granted in respect of more than one handloom, the number allotted to the

licence followed respectively by the serial number of each such handloom in a prominent place on each such handloom.

Illustration.—If the licence has been granted in respect of, say, four handlooms, they shall be painted with the following figures, namely ;—

569 1, 569 2, 569 3 and 569 4, respectively. If the licence has been granted in respect of only one handloom it shall be painted with the figures 569.

11. (1) Every licence issued under this Order shall be valid up to the 31st of March next following the date of its issue and may at the discretion of the Textile Licensing Officer be renewed for successive periods of one year on application made in that behalf to the Textile Licensing Officer before the expiry of the date of the validity of the licence and on payment in non-judicial stamps of the fees referred to in paragraph 5.

[5] The Textile Licensing Officer shall grant a receipt in such form as the Director-General of enforcement may determine for the application and the licence fees paid and this receipt will be authority for the applicant for renewal to continue his business unless the licence is refused :

Provided that the Director General or the the Director-General of Enforcement may by notification extend the time for filling of applications for renewal of licences and may require payment of an extra fee for any application to be filed after the due date :

Provided further that the Textile Licensing Officer may, for reasons to be recorded in writing, refuse to renew a licence.

12. If a licence granted under this Order is defaced, lost or destroyed, the Textile Licensing Officer may after

making such inquiry as he deems necessary, issue a fresh licence in place thereof on payment of a fee of one rupee, and thereupon the licence that has been defaced, lost or destroyed shall be deemed to be cancelled.

13. [1] Every dealer shall comply with any special or general directions issued to him in writing by the Controller for the purposes of this Order.

[2] Notwithstanding any order issued by any other authority, the Controller may from time to time issue directions to a dealer holding stocks of cloth or yarn to supply to such other dealers or persons, such quantities of cloth or yarn at such rates within such time as may be specified by the Controller and may from time to time issue such general or special directions to a dealer with regard to the storage, sale and transport of cloth or yarn as the Controller may deem fit.

[3] A dealer shall not sell in any one transaction to another dealer holding a licence under this Order or to a weaver or to any other purchaser, as the case may be, cloth or yarn exceeding such quantity as may be specified in this behalf by the Controller.

14. Every holder of a licence issued under this Order shall furnish such information as the Director-General or the Director-General of Enforcement or the Controller or any officer authorised in this behalf in writing by the Director-General or the Director-General of Enforcement or the Controller may by general or special order demand of him for the purposes of this Order.

15. Every dealer shall keep in such form as may be specified in this behalf by the Director of Textiles such books of accounts and other records relating to his undertaking as the Director of Textiles may, by general or special order, direct.

16. Every holder of a licence under this Order other than hawker or a weaver shall, by the 10th day of February 10th day of May, 10th day of August and 10th day of November, in each year, submit to the Controller a true statement of stocks of cloth and yarn he'd by him on the last date of the preceeding month of January April, July and October, respectively in such form as may be specified by the Director of Textiles.

17. (1) Where the maximum prices of any cloth or yarn have not been fixed under clause 10 of the Cotton Cloth and Yarn (Control) Order 1943, the maximum prices at which such cloth or yarn may be sold shall be such as may be fixed by the Director-General and the maximum prices so fixed may be different for different classes of cloth and yarn and for different classes of dealers.

(2) No person shall sell or offer to sell or purchase any cloth or yarn of which the maximum price has been fixed under the Cotton Cloth and Yarn (Control) Order, 1943, or under sub-paragraph (1) at a price higher than the maximum price so fixed.

18. Any officer authorised in this behalf by the Director-General of enforcement or by the Controller by general or special order in writing may enter upon and inspect any premises in which he has reason to believe that the manufacture, purchase, sale or storage for sale of any cloth or yarn is taking place contrary to the provisions of this Order.

19. No manufacturer of yarn shall sell yarn to any person other than a dealer holding a licence in respect of purchase or sell or storage for sale of yarn under this Order, a manufacturer, a weaver or any person purchasing yarn on behalf of the Central Government or any Provincial Government.

20. (1) A dealer other than a hawker shall display in a conspicuous position at his place of business a list in the most commonly understood language of the locality showing the maximum legal price in respect of all such kinds of cloth in his shop or store as have prices stamped thereon and shall not withhold from sale any such cloth to any person on demand and offer of the maximum legal price.

(2) A hawker shall carry a list in the most commonly understood language of the locality showing the maximum retail prices of all such kinds of cloth carried or exposed for sale by him as have prices stamped thereon.

21. (1) Every dealer in, other than a hawker, shall issue to every person who purchases any cloth or yarn from him a true cash memorandum or credit note, as the case may be, in respect of such purchase, of which such dealer shall keep a duplicate which shall be produced by such dealer for inspection on demand by the Textile Licensing Officer or any officer authorised in writing by such officer in this behalf, and which shall contain the following details, namely ;—

(a) the name, licence number and address of the dealer ;

(b) the date of the transaction ;

(c) the name and address and licence number* (if any) of the purchaser ;

(d) a detailed description of goods sold ;

(e) the quantity sold ;

[f] the rate at which such goods were sold ;

[g] the unit of sale ;

*Explanation:—*In this item "unit" means the unit of quantity by reference to which the goods are sold.

(h) the total price of each item of goods sold in the transaction ; and

(i) the saleman's signature.

(2) The duplicate of every cash memorandum and every credit note issued under sub-paragraph (1) shall be preserved for one year from the date of issue.

22. A licensee shall surrender his licence to the Textile Licensing Officer for cancellation within one month of the date on which he ceases to carry on his business and shall at the time of so surrendering the licence declare in writing before the said officer the stock held by him on the said date.

23. (1) No person being the holder of a licence under this Order, shall contravene any of the conditions subject to which he holds the licence.

(2) The Director-General or the Director-General of Enforcement or the Director of Textiles or the Controller or any officer authorised in this behalf in writing by the Director-General or the Director-General of Enforcement or the Controller, may, if he is of opinion that any person holding a licence under this Order has contravened any of the provisions of this Order, or any of the conditions of his licence or any of the provisions of the Cotton Cloth and Yarn (Control) Order, 1943, or of any rule made under that Order, cancel the licence of such person without prejudice to any other action that may be taken against such person.

24. The Director-General or the Director-General of Enforcement or the Controller, or the Director of Textiles or any officer authorised in writing by the Director-General or the Director-General of Enforcement or the

Controller* in this behalf by general or special order may, with a view to securing compliance with this Order—

- (a) require any person to give any information in his possession with respect to any business carried on by that person or any other person ;
- (b) inspect or cause to be inspected any book or other documents as well as any stocks of cloth, belonging to or under the control of any person :
- (c) enter and search or authorise any person to enter and search any premises in which the purchase or sale of any cloth or yarn is taking place or any cloth or yarn is stored or in which he has reason to believe that the purchase or sale of any cloth or yarn is taking place or any cloth or yarn is stored.

25. Any person searching any premises under the provisions of clause (c) of paragraph 24, may seal or cause to be sealed in such manner as he may see fit, the premises so searched, or any box, bale or package in such premises which contains or which he has reason to believe contains cloth or yarn, and he may also pack and seal in such manner as he may see fit any cloth or yarn in such premises which may be found in an unpacked condition, or instead of so sealing any such box, bale or package, or so packing and sealing any cloth or yarn, he may, if he deems it expedient, seize any such box, bale package, cloth or yarn, in respect of which he has reason to believe that any contravention of this Order has occurred.

26. During the search of any premises under the provisions of clause (c) of paragraph 24 or at any time after such a search has been made, any person authorised in writing in this behalf by the Director General or the

Director-General of Enforcement or the Controller or the Director of Textiles may enter or re-enter such premises and make an inventory of any cloth or yarn in such premises, and may for this purpose open any box, bale or package which contains, or which he has reason to believe contains, cloth or yarn and he may also for this purpose break any seal affixed to any box, bale, package, cloth or yarn and re-seal it in the same manner.

27. Subject to the provisions of paragraph 26 no person other than a person authorised in writing in this behalf by the Director-General or the Controller or the Director of Textiles shall break or tamper with any way any seal affixed under paragraph 25 or paragraph 26 to any box, bale or package or to any cloth or yarn packed under either of the said paragraphs or remove from any premises any box, bale, package, cloth or yarn to which a seal has been affixed under either of the said paragraphs.

28. Any person searching any premises under clause (c) of paragraph 24 may, by order in writing, direct the owner, occupier or person in charge or control of such premises, or any employee of such owner, occupier or person, to furnish him forthwith—

(a) with any information in regard to any other premises owned, occupied or controlled in any way by such owner, occupier or person in charge or control of the premises so being searched, and the person so directed shall comply with such a direction to the best of his knowledge and belief ;

(b) with a true statement of the quantities of cloth and yarn of each different type or quality in the premises so being searched at the time of commencement of such search.

29. Every hawker, broker, commission agent or weaver holding a licence under this Order shall carry with him his licence and produce it for inspection on demand by the Controller or by any officer authorised in writing in this behalf by general or special order by the Director-General or the Director General of Enforcement of the Controller or the Director of Textiles and every other person holding a licence under this Order shall display his licence in a conspicuous position at his place of business.

30. If any person with the intent that any provision of this Order may be evaded refuses to give any information lawfully demanded of him under the provisions of this Order, or conceals, destroys, mutilates or defaces any book or other document, he shall be deemed to have contravened the provisions of this Order.

31. A court trying any contravention of this Order may, without prejudice to any other sentence which it may pass, direct that any cloth or yarn together with the package or container thereof in respect of which it is satisfied that such contravention has occurred shall be forfeited to His Majesty.

32. The provincial Government may by general or special order —

- (a) exclude any class of cloth or yarn specified in such Order from the operation of this Order ;
- (b) exempt any person or class of persons from the operation of all or any of the provisions of this Order.

SCHEDULE I.

(See paragraph 5.)

GROUP "A"—Rs. 30.).

(Manufacturers by power-driven plant)

1. Manufacturer of cloth by power-loom.

2. Manufacturer of yarn by power-driven spinning plant.

3. Manufacturer of hosiery yarn and hosiery goods by power.

4. Dyeing bleaching and printing establishment run by power.

GROUP "B"—Rs. 120.

Quota-holders, Permit-holders and other dealers importing directly or indirectly from mills on acting or behalf of mills.

1. Quota-holders (cloth).
2. Quota-holders (yarn)
3. Importers (cloth).
4. Importers (yarn).
5. Mill selling agents (cloth).
6. Mill selling agents (yarn).

GROUP "C"—Rs. 60.

(Wholesale dealers).

1. Wholesale dealers (mill made cloth).
2. Wholesale dealers (yarn) including hosiery yarn.
3. Commission Agents.
4. Wholesale dealers in handloom cloth and handspun yarn.
5. Tailoring establishment (wholesale) and wholesale dealers in ready-made garments.
6. Wholesale dealers in hosiery goods.

GROUP "D"—Rs. 24.

(Retail dealers).

1. Retail dealers (mill made cloth).
2. Retail dealers (yarn).

3. Tailoring establishment (retail) and retail dealers in ready-made garments.

4. Retail dealers in hosiery goods.

5. Retail dealers in handloom cloth.

6. Retail dealers in bedding stores.

GROUP "E"—Rs. 2.

(Hawkers).

GROUP "F"—Re. 1 per loom,

(Handloom cloth manufacturers including the right to hawk handloom cloth anywhere in the province).

GROUP "G"—Rs. 24.

(Broker).

SCHEDULE II.

(See paragraph 5).

C. S. T. Form A.

Application No.....

GOVERNMENT OF BENGAL.

* Bengal Cotton Cloth and Yarn Control Order, 1946.

Application for the grant of a licence to deal in cloth-yarn.

Class of licence required : Group A B C D E F G.

Name of Applicant with father's name to whom the licence is to be issued

2. In the case of a firm—Names and addresses of all partners and whether any of them held any class of licence under this Order or any licence for dealing in cloth yarn...

3. In the case of a Joint Stock Company—Names and addresses of all Directors and Agents.....

4. In the case of a Co-operative Society—Names and addresses of the members of the managing body or officials appointed for the purpose

5. Exact address of the office, if it is different from the place of business, i.e., shops, sales tax registration No. and municipal trade licence No.

6. Exact address of the place where business is to be conducted, i.e., shops and the ward No.....

7. Exact address of the place or places of storage of yarn cloth.

8. (a) In what class of yarn cloth business has the applicant previously carried on business and since when (English calendar date)

(b) Whether the applicant was in yarn cloth business continuously from 1st January 1940 to 31st December 1942 (if only part of the period: give date and in what class of business during the period

9. Whether the applicant had previously applied for a licence under the Bengal Cotton Cloth and Yarn Control Order, 1943, and if so, with what result.....

10. Number and place of issue of licence, if any, granted under the Bengal Cotton Cloth and Yarn Control Order, 1943.....

11. The class of licence, applied for (e. g., Group "D"
1 and 3) main business conducted.....

12. Whether the applicant is a minor

13. Whether the applicant has any licence to deal in
yarn/cloth in any part of India other than Bengal

14. Whether the applicant is a member or partner of
any other firm or Company holding a licence to deal in
yarn/cloth or whether has applied. If so, give the name
and place of business of the firm or company

Signature.

Dated 194 .

Note. A licence granted under this Order is liable to
cancellation if the information supplied in this form is
found to be incorrect or incomplete.

Form B.

GOVERNMENT OF BENGAL

Department of Civil Supplies

Textile Licensing Office

Licence for the manufacture, sale or storage
for sale of cloth or yarn.

1. Licence No. of Group....

2. Area

3. Name with father's name of the licensee.

4. Address where the undertaking is carried on
5. Address of godown or other premises where yarn or cloth is stored.....
6. This licence will expire on the 31st March 19.....
7. The licensee shall hold the licence subject to the conditions specified below.
- Date.....

Signature of Textile Licensing Officer

SCHEDULE III

[See paragraph 10 (6).]

	Fee Rs.
In respect of each place of business up to 5	... 24
and	
whether the number of places of business exceeds 5, in respect of each place of business in excess of 5 upto 10	... 16
and	
where the number of places of business exceeds 10, in respect of each place of business in excess of 10 and up to 15	... 14
and	
where the number of places of business exceeds 15, in respect of each place of business in excess of 15 up to 20	... 12
and	
where the number of places of business exceeds 20, in respect of each place of business in excess of 20 up to 25	... 10
and	
where the number of places of business exceeds 25, in respect of each place of business in excess of 25	... 8

Provided that the total amount of fees payable in respect of all the places of business shall in no case exceed five hundred rupees.

CONDITIONS OF LICENCE.

1. This licence is being issued subject to the provisions of the Bengal Cotton Cloth and Yarn Control Order, 1946.

2. The licensee if a broker, a commission agent, a hawker or a weaver shall carry with him his licence when carrying on business and produce it for inspection on demand by the Controller or by any officer authorised in writing by the Director-General of Civil Supplies, Consumer Goods, or the Director-General of Enforcement or the Controller and if not a hawker, a broker, a commission agent or a weaver shall display his licence in a conspicuous position at his place of business.

3. If the licensee intends to store any cloth or yarn in any place, premises or godown other than those already mentioned in the licence, he shall intimate the address of such place, premises or godown to the Controller and the Textile Licensing Officer and shall not store any cloth or yarn in such place, premises or godown until the Textile Licensing Officer has endorsed it on the licence.

4. The licensee shall give all factories to the Director-General of Civil Supplies, Consumer Goods, or the Director-General of Enforcement or to the Controller or to any person authorised in writing by any of the said officers to inspect his stock and accounts at any shop, godown or other place used by him for the storage of cloth or yarn or both.

5. The licensee shall comply with all directions that may be given by the Controller in regard to the purchase, sale or storage of cloth or yarn or both.

6. The licensee if he is not a hawker, shall issue to every customer a true cash memorandum or credit note, as the case may be, giving his name, licence number and address, the date of the transaction, the name and address and licence number (if any) of the purchaser, a detailed description of goods sold, the quantity sold, the rate at which sold, the unit of sale, the total price of each item of goods sold and the salesman signature, and shall keep a duplicate of the same to be available for inspection on demand by the Textile Licensing Officer or any officer authorised in writing by the Textile Licensing Officer in this behalf and shall preserve every such cash memorandum and credit note for one year from the date of issue.

7. If the licence contravenes any of the provisions of the Bengal Cotton Cloth and Yarn Control Order 1946, or any of the conditions subject to which he holds this licence or any of the provisions of the Cotton Cloth and Yarn (Control) Order, 1943, or of any rule made under that Order, then without prejudice to any other action that may be taken against him, his licence may be cancelled by the Director-General of Civil Supplies, Consumer Goods, or the Director-General of Enforcement or any officer authorised by either of them, in writing in that behalf.

8. Notwithstanding anything contained in clause 7, the Director-General of Civil Supplies, Consumer Goods, or the Director-General of Enforcement may, without giving any previous notice or without assigning any reason, suspend or cancel this licence.

By order of the Governor,

A. D. KHAN,

Secy. to the Govt. of Bengal.

APPENDIX—B (2)

The Bengal Cotton Cloth and Yarn Control Order, 1945

GOVERNMENT OF BENGAL

Department of Civil Supplies

No. 6563 D. C. S.—4th May, 1945.—In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules, the Governor is pleased to make the following Order, namely :—

1. (1) This Order may be called the Bengal Cotton Cloth and Yarn Control Order, 1945.

(2) It extends to the whole of Bengal, except the Chittagong Hill Tracts.

(3) It shall come into force on the eleventh day of May, 1945.

2. The Bengal Cotton Cloth and Yarn Control Order, 1943, is hereby repealed ;

Provided that the repeal shall not affect any penalty, forfeiture or punishment incurred in respect of any contravention of the said Order and that all proceedings commenced under the provisions of that Order shall be continued and, so far as may be, shall be deemed to have been commenced under the corresponding provisions of this Order.

3. In this Order, unless there is anything repugnant in the subject or context :—

- (a) "broker" means a person employed by a dealer to buy cloth or yarn or both from another dealer or to sell cloth or yarn or both to another dealer ;
- (b) "Calcutta" means the town of Calcutta as defined in section 3 of the Calcutta Police Act, 1866, together with the suburbs of Calcutta as defined by notification under section 1 of the Calcutta Suburban Police Act, 1866 ;
- (c) "cloth" and "yarn" mean respectively any type of cloth and yarn either manufactured wholly from cotton or manufactured partly from cotton and partly from any other material and containing not less than ten per centum cotton by weight, and "cloth" includes cloth made into garments and yarn made into hosiery goods, but does not include articles which are Indian woollen goods as defined in the Indian Woollen Goods (Control) Order, 1944 ; and "yarn" includes also all kinds of sewing thread and hosiery yarn ;
- (d) "commission agent" means a person authorised by a dealer to buy cloth or yarn or both on his behalf ;
- (e) "Controller" means in Calcutta, the Director of Textiles and elsewhere, the Officer appointed by the Director General to perform the functions of the Controller under this Order ;
- (f) "dealer" means a person other than a manufacturer, engaged in the business of buying and selling or storing for sale cloth or yarn or both, whether or not in conjunction with any other business, and includes a quota-holder, an importer, a wholesale dealer, a retail dealer, a hawker, a

commission agent, a broker, a mill's selling agent, a dealer in hosiery goods or yarn, a dealer in ready-made garments of cloth, the proprietor of a tailoring establishment, or a manufacturer of or dealer in sewing thread ;

- (g) "dealer in ready-made garments" means a person who engages in the business of buying and selling or making and selling or storing for sale ready-made garments other than *Dhories* and *Saris* ;
- (h) "Director of Textiles" means the Director of Textiles appointed by the Provincial Government and includes any Additional Director of Textiles or any Officer authorised by the Director-General by order in writing to perform all or any of the functions of the Director of Textiles under this Order ;
- (i) "Director-General" means the Director General of Civil Supplies, Consumer Goods, appointed by the Provincial Government ;
- (j) "Director-General of Enforcement" means the Director General of Civil Supplies, Enforcement, appointed by the Provincial Government ;
- (k) "hawker" means a person who goes from place to place or from house to house carrying or exposing for sale for consumption by the purchasers, cloth or yarn or both, or samples of cloth or yarn or both to be afterwards delivered to such purchasers ;
- (l) "importer" means a person other than a quota-holder who imports cloth or yarn or both into the province of Bengal for sale ;
- (m) "Manufacturer" means a person engaged in the manufacture of cloth or yarn or both and

includes a person who uses cloth or yarn or both as an accessory in the course of his trade, business or profession, but does not include a processor, weaver or a person who makes garments from cloth ;

- (n) "Mill's selling agents" means a person appointed by a mill to receive cloth or yarn or both from the mill for distribution to dealers to whom the mill is permitted to sell its cloth or yarn ;
- (o) "Processor" means a person other than a manufacturer or weaver who is engaged in the work of carrying out any process on cloth or yarn, such as dyeing, bleaching, printing, embroidering or any similar process, which effects some permanent or semi-permanent change in the appearance of the cloth or yarn ;
- (p) "Quota-holder" means a person who obtains cloth or yarn or both directly from a mill situated in India at the ex-mill price by virtue of his having purchased cloth or yarn from that mill during the years 1940, 1941 and 1942 ;
- (q) "Retail dealer" means a dealer who sells cloth for consumption by the purchasers only and sells yarn to weavers only, and includes a tailoring establishment ;
- (r) "Textile Licensing Officer" means,—
 - (i) In Calcutta, the Officer appointed as such by the Provincial Government and includes any other officer appointed by the Director-General of Enforcement to perform the functions of the Textile Licensing Officer under this Order ; and
 - (ii) Elsewhere, the Sub-divisional Magistrate and includes any other officer appointed by

- the District Magistrate to perform the functions of the Textile Licensing Officer under this Order ;
- (s) "Weaver" means a person who manufactures cloth from yarn solely by manual power and includes a master weaver ;
- (t) "Wholesale dealer" means a dealer who sells cloth or yarn or both to a manufacturer or to another dealer,

4. No person shall, after the commencement of this Order, engage in any undertaking which involves the manufacture, purchase, sale or storage for sale of cloth or yarn or both unless he holds a licence in this behalf under this Order and except in accordance with the conditions specified in such licence.

Provided that persons who were licensed under the Bengal Cotton Cloth and Yarn Control Order, 1943, or who were engaged before the commencement of this Order in any undertaking which involves the manufacture of cloth or yarn or both shall be allowed two months from such commencement to obtain a licence under this Order.

5. All applicants for licences under this Order shall, for the purposes of this Order, be classified under one of the groups specified in Schedule I to this Order and the licence fees payable by persons classified under any of the said groups shall be the amount specified against that group.

6. (1) All applications for the issue of licences under this Order shall be made to the Textile Licensing Officer in Form A as set forth in Schedule II to this Order,

(2) The Provincial Government may specify the manner in which the licence fee referred to in paragraph

5 shall be paid and no licence shall be issued unless the licence fee payable in respect thereof under the said paragraph has been paid.

7. Licences under this Order shall be issued by the Textile Licensing Officer in Form B as set forth in Schedule II to this Order.

8. The Textile Licensing Officer may, for reasons to be recorded in writing, refuse to grant a licence under this Order.

9. Notwithstanding anything contained in this Order, the Director-General or the Director General of Enforcement may, without assigning any reason, direct that any application for a licence or for the renewal of a licence be refused or that a licence already granted or renewed be suspended or cancelled.

10. (1) Every licence issued under this Order shall specify :—

- (a) the class of business in respect of which the licence is granted.
- (b) the premises or the area in which the licensee shall carry on business ; and
- (c) the premises or places where cloth or yarn may be stored by the licensee.

(2) A licence issued under this Order shall ordinarily authorise the licensee to carry on business in any of the manners specified in the different items of the particular group in Schedule I to this Order under which he has been classified under paragraph 5.

Provided that it shall be competent for the Textile Licensing Officer to restrict the licensee to the carrying on

of business in the manner specified in any one or more of the items of the particular group under which he has been classified.

(3) A licensee who has been classified under any of the groups specified in Schedule I to this Order and has been granted a licence under this Order authorising him to carry on business in the manner specified in any or all of the items under that group, shall not carry on business in the manner specified in any of the items under any other group in that Schedule unless he has been specially permitted to do so by the Director of Textiles and unless he holds a separate licence issued to him in that behalf under this Order.

(4) No licensee shall carry on his business or store any cloth or yarn to which the licence relates except in the premises, area or places, as the case may be, specified in his licence.

(5) If the licensee intends to store any cloth or yarn in any place, premises or godown other than one of those already mentioned in the licence, he shall intimate the address of such place, premises or godown to the Controller and the Textile Licensing Officer and shall not store any cloth or yarn in such place, premises or godown until the Textile Licensing Officer has endorsed it on the licence.

(6) If the licensee is carrying on business in more than one place, a separate licence shall be taken for every such place of business.

. EXPLANATION—For the purposes of this sub-paragraph, a godown or any other premises or place where cloth or yarn to which the licence relates is stored shall not be deemed to be a separate place of business.

• 11. Every licence issued under this Order shall be valid up to the 31st January next following the date of its issue.

and may, at the discretion of the Textile Licensing Officer, be renewed for successive periods of one year on application made in that behalf to the Textile Licensing Officer and on payment of such licence fee, as may be specified in this behalf by the Provincial Government.

Provided that the Textile Licensing Officer may, for reasons to be recorded in writing, refuse to renew a licence.

12. If a licence granted under this Order is defaced, lost or destroyed, the Textile Licensing Officer may, after making such inquiry as he deems necessary, issue a fresh licence in place thereof on payment of a fee of one rupee, and thereupon the licence that has been defaced lost or destroyed shall be deemed to be cancelled.

13. (1) Every dealer shall comply with any special or general directions issued to him in writing by the Controller for the purposes of this Order.

(2) Notwithstanding any order issued by any other authority, the Controller may, from time to time, issue directions to a dealer holding stocks of cloth or yarn to supply to such other dealers or persons, such quantities of cloth or yarn at such rates within such time as may be specified by the Controller and may from time to time issue such general or special directions to a dealer with regard to the storage, sale and transport of cloth or yarn as the Controller may deem fit.

(3) A dealer shall not sell in any one transaction to another dealer holding a licence under this Order or to a weaver or to any of the purchases, as the case may be, cloth or yarn exceeding such quantity as may be specified in this behalf by the Controller.

14. (1) Every holder of a licence issued under this Order shall furnish such information as the Director General

or the Director General of Enforcement or the Controller or any officer authorised in this behalf in writing by the Director General or the Director General of Enforcement or the Controller may by general or special order demand of him for the purposes of this Order.

(2) Every quota-holder, every importer and every wholesale dealer shall submit to the Controller before the seventh day of each calendar month a return of all cloth and yarn in his possession or under his control at the end of the first day of the month in which the return is submitted and every such return shall be in such form as may be specified by the Director of Textiles.

15. Every dealer shall keep in such form as may be specified in this behalf by the Director of Textiles such books of accounts and other records relating to his undertaking as the Director of Textiles may, by general or special order, direct.

16. Every holder of a licence under this Order other than a hawker shall, by the 10th day of February, 10th day of May, 10th day of August and 10th day of November, in each year, submit to the Controller a true statement of stocks of cloth and yarn held by him on the last date of the preceding month of January, April, July and October respectively in such form as may be specified by the Director of Textiles.

17. (1) Where the maximum prices of any cloth or yarn have not been fixed under clause 10 of the Cotton Cloth and Yarn, (Control) Order, 1943 the maximum prices at which such cloth or yarn may be sold shall be such as may be fixed by the Director General and the maximum prices so fixed may be different for different classes of cloth and yarn and for different classes of dealers.

(2) No person shall sell or offer to sell or purchase any cloth or yarn of which the maximum price has been fixed under the Cotton Cloth and Yarn (Control) Order, 1943 or under sub-paragraph (1) at a price higher than the maximum price so fixed.

18. Any officer authorised in this behalf by the Director General of Enforcement or by the Controller by general or special order in writing may enter upon and inspect any premises in which he has reason to believe that the manufacture, purchase, sale or storage for sale of any cloth or yarn is taking place contrary to the provisions of this Order.

19. No manufacturer of yarn shall sell yarn to any person other than a dealer holding a licence in respect of purchase or sale or storage or sale of yarn under this Order, a manufacturer, a weaver or any person purchasing yarn on behalf of the Central Government or any Provincial Government.

20. (1) A dealer other than a hawker shall display in a conspicuous position at his place of business a list in the most commonly understood language of the locality showing the maximum legal price in respect of all such kinds of cloth in his shop or store as have prices stamped thereon and shall not withhold from sale any such cloth to any person on demand and offer of the maximum legal price.

(2) A hawker shall carry a list in the most commonly understood language of the locality showing the maximum retail prices of all such kinds of cloth carried or exposed for sale by him as have prices stamped thereon.

21. (1) Every dealer, other than a hawker, shall issue to every person who purchases any cloth or yarn from him a true cash memorandum or credit note, as the case may

be, in respect of such purchase, of which such dealer shall keep a duplicate which shall be produced by such dealer for inspection on demand by the Textile Licensing Officer or any officer authorised in writing by such officer in this behalf, and which shall contain the following details, namely :—

- (a) the name, licence number and address of the dealer ;
- (b) the date of the transaction ;
- (c) the name and address and licence number (if any) of the purchaser ;
- (d) a detailed description of goods sold ;
- (e) the quantity sold ;
- (f) the rate at which such goods were sold ;
- (g) the unit of sale ;

EXPLANATION.—In this item “unit” means the unit of quantity by reference to which the goods are sold.

- (h) the total price of each item of goods sold in the transaction ; and
- (i) the salesman’s signature.

(2) The duplicate of every cash memorandum and every credit note issued under sub-paragraph (i) shall be preserved for one year from the date of issue.

22. A licensee shall surrender his licence to the Textile Licensing Officer for cancellation within one month of the date on which he ceases to carry on his business and shall at the time of so surrendering the licence declare in writing before the said officer the stock held by him on the said date.

23 (1) No person, being the holder of a licence under this Order, shall contravene any of the conditions subject to which he holds the licence.

(2) The Director General or the Director General of Enforcement or the Director of Textiles or the Controller, or any officer authorised in this behalf in writing by the Director General or the Director General of Enforcement or the Controller, may, if he is of opinion that any person holding a licence under this Order has contravened any of the provisions of this order or any of the conditions of his licence or any of the provisions of the Cotton Cloth and Yarn (Control) Order, 1943, or of any rule made under that Order, cancel the licence of such person without prejudice to any other action that may be taken against such person.

24. The Director General or the Director General of Enforcement or the Controller, or the Director of Textiles or any officer authorised in writing by the Director-General or the Director General of Enforcement or the Controller in this behalf by general or special order may, with a view to securing compliance with this Order —

- (a) require any person to give any information in his possession with respect to any business carried on by that person or any other person ;
- (b) inspect or cause to be inspected any books or other documents as well as any stocks of cloth, belonging to or under the control of any person ;
- (c) enter and search or authorise any person to enter and search any premises in which the purchase or sale of any cloth or yarn is stored or in which he has reason to believe that the purchase or sale of any cloth or yarn is taking place or any cloth or yarn is stored.

25. Any person searching any premises under the provisions of clause (c) of paragraph 24, may seal or cause to be sealed, in such manner as he may see fit, the premises,

so searched, or any box, bale or package in such premises, which contains or which he has reason to believe contains cloth or yarn, and he may also pack and seal in such manner as he may see fit any cloth or yarn in such premises which may be found in an unpacked condition, or instead of so sealing any such box, bale or package, or so packing and sealing any cloth or yarn he may, if he deems it expedient, seize any such box, bale, package, cloth or yarn, in respect of which he has reason to believe that any contravention of this Order has occurred

26. During the search of any premises under the provisions of clause (c) of paragraph 24 or any time after such a search has been made, any person authorised in writing in this behalf by the Director-General or the Director General of Enforcement or the Controller or the Director of Textiles may enter or re-enter such premises, and make an inventory of any cloth or yarn in such premises, and may for this purpose open any box, bale or package, which contains, or which he has reason to believe contains, cloth or yarn and he may also for this purpose break any seal affixed to any box, bale, package, cloth or yarn and re-seal it in the same manner.

27. Subject to the provisions of paragraph 26 no person other than a person authorised in writing in this behalf by the Director General or the Director General of Enforcement or the Controller or the Director of Textiles shall break or tamper with in any way any seal affixed under paragraph 25 or paragraph 26 to any box, bale or package or to any cloth or yarn packed under either of the said paragraphs or remove from any premises any box, bale package, cloth or yarn to which a seal has been affixed under either of the said paragraphs.

28. Any person searching any premises under clause (c) of paragraph 24 may, by order in writing, direct the

owner, occupier or person in charge or control of such premises or any employee of such owner, occupier or person, to furnish him forthwith—

- (a) with any information in regard to any other premises, owned, occupied or controlled in any way by such owner, occupier or person in charge or control of the premises so being searched, and the person so directed shall comply with such a direction to the best of his knowledge and belief ;
- (b) with true statement of the quantities of cloth and yarn of each different type or quality in the premises so being searched at the time of commencement of such search.

29. Every hawker, broker, commission agent, or weaver holding a licence under this Order shall carry with him licence and produce it for inspection on demand by the Controller or by any officer authorised in writing in this behalf by general or special Order by the Director General or the Director General of Enforcement or the Controller or the Director of Textiles and every other person holding a licence under this Order shall display his licence in a conspicuous position at his place of business.

30. A court trying any contravention of this Order may, without prejudice to any other sentence which it may pass, direct that any cloth or yarn in respect of which it is satisfied that such contravention has occurred shall be forfeited to His Majesty.

31. The Provincial Government may by general or special Order—

- (a) exclude any class of cloth or yarn specified in such Order from the operation of this Order ;

- (b) exempt any person or class of persons from the operation of all or any of the provisions of this Order.

CONDITIONS OF LICENCE

1. This licence is being issued subject to the provisions of the Bengal Cotton Cloth Yarn Control Order, 1945.

2. The licensee, if a broker, a Commission agent, a hawker or a weaver shall carry with him his licence when carrying on business and produce it for inspection on demand by the Controller or by any officer authorised in writing by the Director General of Civil Supplies, Consumer Goods, or the Director General of Enforcement or the Controller and if not a hawker, a broker, a commission agent or a weaver shall display his licence in a conspicuous position at his place of business.

3. If the licensee intends to store any cloth or yarn in any place, premises or godown other than those already mentioned in the licence, he shall intimate the address of such place, premises or godown to the Controller and the Textile Licensing Officer and shall not store any cloth or yarn in such place, premises or godown until the Textile Licensing Officer has endorsed it on the licence.

4. The licensee shall give all facilities to the Director-General of Civil Supplies, Consumer Goods, or the Director-General of Enforcement or to the Controller or to any person authorised in writing by any of the said officers to inspect his stock and accounts at any shop, godown or other place used by him for the storage of cloth or yarn or both.

5. The licensee shall comply with all directions that may be given by the Controller in regard to the purchase, sale or storage of cloth or yarn or both.

6. The licensee, if he is not a hawker, shall issue to every customer a true cash memorandum or credit note, as the case may be, giving his name, licence number and address, the date of the transaction, the name and address and licence number (if any) of the purchaser, a detailed description of goods sold, the quantity sold, the rate at which sold, the unit of sale, the total price of each item of goods sold and the salesman's signature, and shall keep a duplicate of the same to be available for inspection on demand by the Textile Licensing Officer or any Officer authorised in writing in this behalf and shall preserve every such cash memorandum and credit note for one year from the date of issue,

7. If the Licensee contravenes any of the provisions of the Bengal Cotton Cloth and Yarn Control Order, 1945, or any of the conditions subject to which he holds the licence or any of the provisions of the Cotton Cloth and Yarn (Control) Order, 1943, or of any rule made under that Order, than without prejudice to any other action that may be taken against him, his licence may be cancelled by the Director General of Civil Supplies, Consumer Goods, or the Director General of Enforcement or any officer authorised by either of them, in writing in that behalf.

8. Notwithstanding anything contained in clause 7, the Director General of Civil Supplies, Consumer Goods, or the Director General of Enforcement may without giving any previous notice or without assigning any reason suspend or cancel this licence.

CALCUTTA YARN MERCHANTS ASSOCIATION

89, Cross Street, Calcutta.

APPENDIX—C

RATES

Fixation of Ceiling Prices of Yarn

In Pursuance to the provisions of Cotton Cloth and Yarn (Control) Order 1943 the Textile Commissioner, Government of India, fixed ceiling prices for Yarn from time to time, the different rates or which, as were made applicable during the period under review, are given below.

Prices Applicable from 27th July, 1945

			Rs. A. P.
1½s Waste	...	3 7 0	per 10 lbs.
2s Waste	...	3 13 0	"
4s Waste	...	3 15 6	"
7s Waste	...	4 6 0	"
1½s Waste Coloured Mixing		3 9 0	"

Counts	Cotton	Strength in lbs.	Price per single	10 lbs. Two fold
1	2	3	4	5
			Rs. A. P.	Rs. A. P.
4	Indian	225	6 4 0	7 2 0
6	do	150	6 8 0	7 6 0
8	do	112	6 12 0	7 10 0
9	do	110	6 14 0	7 14 0
9½	do	95	6 15 0	7 15 0
10	do	125	8 0 0	9 4 6
12	do	104	8 4 0	9 8 6
14	do	89	8 8 0	9 12 6
15	do	83	8 10 0	9 14 6
16	do	87	10 2 0	12 0 6
18	do	78	10 6 0	12 7 0
20	do	70	10 10 0	12 13 6
22	do	64	11 0 0	13 7 0
24	do	58	11 6 0	14 0 6

Counts Cotton		Strength in lbs.	Price per 10						
1	2		3	Single			Two-fold		
			Rs.	As.	P.		Rs.	A.	P.
25	do	55	11	9	0		14	3	6
26	do	52	13	1	0		15	11	6
28	do	48	13	9	0		16	3	
30	do	45	13	13	0		16	8	0
32	do	42	14	1	0		16	14	6
40	do	32	16	5	0		19	11	0
42	do	30	16	11	0		20	3	6
44	do	29	17	1	0		20	12	0
40	Foreign (African)	40	22	15	6		26	5	6
42	.. ..	38	23	5	6		26	14	0
44	.. ..	36	23	11	6		27	6	6
60	.. (Egyptian)	30	34	0	0	Carded	39	8	0
60	.. ..	37	37	0	0	Combed	42	8	0
70	.. ..	25	40	0	0	Carded	47	4	0
70	.. ..	28	43	0	0	Combed	50	4	0
80	.. ..	22	46	0	0	Carded	54	12	0
80	.. ..	25	49	0	0	Combed	57	12	0
90	.. ..	22	52	6	0	Combed	62	14	0
100	.. ..	20	61	0	0	Combed	73	4	0
110	.. ..	16	68	3	0	Combed	83	7	0
120	.. ..		80	6	0	Combed	98	10	0
130	.. ..	11	90	7	0	Combed	112	7	0
140	.. ..	10	102	0	0	Combed	129	4	0
150	.. ..	9	112	0	0	Combed	143	4	0
10s to 20s Mixed Yarn 20 knots			6	4	0		8	7	6
20s to 32s Mixed Yarn 32 knots			7	14	0		10	11	6
30s to 40s Mixed Yarn 40 knots			8	13	0		12	3	0
50s to 60s Mixed Yarn 60 knots			16	12	0		22	4	0
70s to 80s Mixed Yarn 80 knots			20	1	6		26	13	6
Over 80s Mixed yarn			30	2	0		40	12	0

1. All prices are for grey yarns of full count subject to (standard tolerances in counts) and of any strength up

to the maximum strengths given in Column 3, full reeling, in hanks, packed in 10 lbs. bundles and in bales.

2. For folded yarns over 2/fold, add 1 anna per ply to the 2 fold prices indicated.

3. For odd counts and half counts.

4s to 20s basic differences 4 annas per two counts per 10 lbs.

20s to 25s	..	..	6	..	..	..	..
34s to 40s	..	..	6	..	..	..	..
50s to 60s	..	..	6	..	..	..	..
60s to 70s	..	..	6	..	..	..	..
80s to 90s	..	..	6	..	..	..	..

Rs. A P.

4. Single Bleaching Charges 1 14 0 per 10 lbs.

Double Bleaching Charges for
Sewing Embroidery Yarns 2 13 0 ..

5. Mercerising Charges 1 14 0 ..

6. Dyeing Charges

(a) Direct or Basic Kutcha colours Light 1 14 0 ..

.. .. Medium 2 8 0 ..

.. .. Dark 3 2 0 ..

(b) Fast to Bleach Colours Light 3 2 0 ..

.. .. Medium 6 4 0 ..

.. .. Dark 9 6 0 ..

Sulphur and Chrome Colours 5 0 0 ..

7. Cheesing and or coning charges including case packing 18 8 0 per 10 lbs.
upto & including 30s.

2 0 0 per 10 lbs.
over 30s.

8. Yarn supplied on beams to be charged by the supplying manufacturer at the following maximum prices :—

(a) Upto and including 20s at 2 annas per lb. above the factory prices per bundle as notified.

- (b) Over 20s and upto and including 40s at 3 annas per lb. above the ex-factory price per bundle as notified.
- (c) Over 40s at 4 annas per lb. above the ex-factory price per bundle as notified.
- (d) Yarns delivered by a manufacturer on bobbins or in any other form will not be charged anything higher than the ceiling price or ex-factory price whichever is lower.
9. The prices herein specified are the maximum ex-factory prices.

Prices Applicable from 29th October 1945

1½s Waste Rs. 3-7-0 per 10 lbs. 4s Waste Rs. 3-15-0 per 10 lbs.
 2s Waste Rs. 3-13-0 per 10 lbs. 7s Waste Rs. 4-6-0 per 10 lbs.
 1½s Waste Coloured Mixing Rs. 3-9-0 per 10 lbs.

Counts	Cotton	Strength in lbs.	Price per 10					
			Single			Two-fold		
			3	4			5	
			Rs.	As.	P.	Rs.	As.	P.
4	Indian	225	5	8	0	6	6	0
6		150	5	12	0	6	10	0
8		112	6	0	0	6	14	0
9		110	6	2	0	7	2	0
9½		95	6	3	0	7	3	0
10		125	7	4	0	8	8	0
12		104	7	8	0	8	12	0
14		89	7	12	0	9	0	6
15		83	7	14	0	9	2	6
16		87	9	10	0	11	8	6
18		78	9	14	0	11	15	0
20		70	10	2	0	12	5	6

Counts Cotton		Strength in lbs.	Price per 10						
1	2		Single			Two-fold			
		3	4			5			
			Rs.	As.	P.	Rs.	A	P.	
22	Indian	60	10	8	0	12	15	0	
24	"	58	10	14	0	13	8	6	
25	"	55	11	1	0	13	11	6	
26	"	52	12	9	0	15	3	6	
28	"	48	13	1	0	15	11	6	
30	"	45	13	5	0	16	0	0	
32	"	42	13	9	0	16	6	6	
40	"	32	15	13	0	19	3	0	
42	"	30	16	3	0	19	11	6	
44	"	29	16	9	0	20	4	0	
40	Foreign (African)	40	22	7	6	25	13	6	
42	"	38	22	13	6	26	6	0	
44	"	36	23	3	6	26	14	6	
60	Foreign (Egyptian)	30	33	8	0	Carded	39	0	0
60	"	37	36	8	0	Combed	42	0	0
70	"	25	39	8	0	Carded	46	12	0
70	"	28	42	8	0	Combed	49	12	0
80	"	22	45	8	0	Carded	54	4	0
80	"	25	48	8	0	Combed	57	4	0
90	"	22	51	14	0	"	62	6	0
100	"	20	60	8	0	"	72	12	0
110	"	16	67	11	0	"	82	15	0
120	"	14	79	14	0	"	98	2	0
130	"	11	89	15	0	"	111	15	0
140	"	10	101	8	0	"	128	12	0
150	"	9	111	8	0	"	142	12	0
10s to 20s Mixed Yarns		20 knots	5	8	0		7	11	0
24s to 32s		" 32 knots	7	6	0		10	3	6
30s to 40s		" 40 knots	8	5	0		11	11	0
50s to 60s		" 60 knots	16	4	0		21	12	0
70s to 80s		" 80 knots	19	9	6		28	5	6
Over, 80s		" knots	29	10	0		40	4	0

1. All prices are for grey yarns of full count (subject to standard tolerances in count) and of any strength upto the maximum strengths given in column 3, full reeling, in hanks, packed in 10 lbs., bundles and in bales.

2. For Folded Yarns over 2 fold, add 1 anna per ply to the 2¹/₂ fold prices indicated.

3. For odd counts and half counts.

4s to 20s basic differences 4 annas per two counts per 10 lbs.					
20s to 25s	..	..	6	..	..
40s to 34s	..	..	6	..	..
60s to 50s	..	..	6	..	..
60s to 70s	..	..	6	..	..
s to 90s	..	..	6	..	..

4. Single Bleaching Charges Rs. 1-14-0 per 10 lbs.

Double Bleaching Charges for

Sewing Embroidery Yarns Rs. 2-13-0 per 10 lbs.

5. Mercerising Charges Rs. 1-14-0 per 10 lbs.

6. Dyeing Charges :—

(a) Direct or Basic Kutcha Colours

Light Rs. 1-14-0 per 10 lbs.

Medium Rs. 2- 8-0 per 10 lbs.

Dark Rs. 3- 2-0 per 10 lbs.

(b) Fast to Bleach Colours Light Rs. 3- 2-0 per 10 lbs.

Medium Rs. 6- 4-0 per 10 lbs.

Dark Rs. 9- 6-0 per 10 lbs.

(c) Sulphur and Chrome Colours Rs. 5-0- 0 per 10 lbs.

7. Cheesing and or coning charges includ-

ing case packing

Rs. 1- 8-0 per 10 lbs.
upto and including
30s.

Rs. 2- 0-0 per 10 lbs.
over 30s.

8. Yarn supplied on beams may be charged by the supplying manufacturer at the following maximum prices :—

- (a) Upto and including 20s ... at 2 annas per lb. above the ex-factory price per bundle as notified.
- (b) Over 20s and upto and including 40s ... at 3 annas per lb. above the ex-factory price per bundle as notified.
- (c) Over 40s .. at 4 annas per lb. above the ex-factory price per bundle as notified.
- (d) Yarns delivered by a manufacturer on bobbins or in any other form will not be charged anything higher than the ceiling price or ex-factory price whichever is lower.

9. The prices herein specified are the maximum ex-factory prices.

Prices Applicable from 16th April 1946

1½ s Waste Rs. 4- 8-0 per 10 lbs.

2 s Waste Rs. 4-14-0 per 10 lbs.

4 s Waste Rs. 5- 0-6 per 10 lbs.

7 s Waste Rs. 5-7- 0 per 10 lbs.

1½ s Waste Coloured Mixing Rs. 4-10-0 per 10 lbs.

Counts	Cotton	Lea Strength in lbs		Price per 10 lbs.					
		Mini- mum	Maxi- mum	Single			Two-fold		
1	2	3		4			5		
				Rs.	As.	P.	Rs.	A.	P.
4	Indian	200	313	8	8	0	7	6	0
6	..	133	208	6	12	0	7	10	0
8	..	100	156	7	0	0	7	14	0

Counts	Cotton	Lea Strength in lbs.		Price per 10 lbs.			
		Mini- mum	Maxi- mum	Single		Two-fold	
1	2	3		4		5	
				Rs.	As. P.	Rs.	As. P.
9	Indian	89	139	7	2 0	8	2 0
10	"	80	125	8	4 0	9	8 6
12	"	67	104	8	8 0	9	12 6
14	"	57	89	8	12 0	10	0 6
15	"	53	83	8	14 0	10	2 6
16	"	72	87	10	10 0	12	8 6
18	"	64	78	10	14 0	12	15 0
20	"	58	70	11	2 0	13	5 6
22	"	52	64	11	8 0	13	15 0
24	"	48	58	11	14 0	14	8 6
25	"	46	55	12	1 0	14	11 6
26	"	44	52	13	5 0	15	15 6
28	"	41	48	13	13 0	16	7 6
30	"	38	45	14	1 0	16	12 0
32	"	36	42	14	5 0	17	2 6
40	"	26	32	16	5 0	19	11 0
42	"	25	30	16	11 0	20	3 6
44	"	24	29	17	1 0	20	12 0
40 Foreign (African)		—	40	22	3 6	25	9 6
40	"	—	38	22	9 6	26	2 0
44	"	—	36	22	15 6	26	10 6
60 Foreign (Egyptian)		—	30	32	8 0	38	0 0
				Carded			
60	"	—	37	35	8 0	41	0 0
				Combed			
70	"	—	25	38	8 0	45	12 0
				Carded			
70	"	—	28	41	8 0	48	12 0
				Combed			
80	"	—	22	44	8 0	53	4 0
				Carded			

Counts	Cotton	Lea Strength in lbs.		Price per 10 lbs.			
		Mini- mum	Maxi- mum	Single		Two-fold	
		1	3	4		5	
				Rs.	As.	P.	Rs. As. P.
80 Foreign(Egyptian) —			25	47	8	0	56 4 0
				Combed			
90	..	—	22	50	14	0	61 6 0
				Combed			
100	..	—	20	59	8	0	71 12 0
				Combed			
110	..	—	16	66	11	0	81 15 0
				Combed			
120	..	—	14	78	14	0	97 2 0
				Combed			
130	..	—	11	88	15	0	110 15 0
				Combed			
140	..	—	10	100	8	0	127 12 0
				Combed			
150	..	—	9	110	8	0	141 12 0
				Combed			
4s to 10s Mixed Yarns				4	4	0	5 2 0
Over 10s to 20s Mixed Yarns				6	8	0	8 11 6
.. 20s to 30s	..			8	0	0	10 11 0
.. 30s to 40s	..			9	1	0	12 7 0
.. 40s to 50s	..			12	4	0	16 8 0
.. 50s to 60s	..			15	4	0	20 12 0
.. 60s to 70s	..			16	14	0	24 2 0
.. 70s to 80s	..			18	9	6	27 5 6
Over 80s				28	10	0	39 4 0

1. All prices are for grey yarns of full count (subject to standard tolerances in count) and of any strength within the minimum and maximum limits given in column 3. full reeling, in hanks, packed in 10 lbs. bundles and in bales' cases.

2. For Folded Yarns 2'fold, add 1 anna per 'ply to the 2'fold prices indicated.

3. For odd counts (exclusive of fractional counts) the ex-factory price shall be the price specified above, for the count next below, increased by

2 annas per count in the case of 4s to 20s

3 20s to 25s

3 40s to 34s

3 60s to 50s

3 60s to 70s

3 80s to 90s

4. Single Bleaching Charges ... Re. 1 14-0 per 10 lbs.

Double Bleaching Charges for

Sewing/Embroidery Yarns ... Rs. 2-13-0 per 10 lbs.

5. Mercerising Charges ... Rs. 1-14-0 per 10 lbs.

6. Dyeing Charges :

(a) Direct or Basic Kutcha Colours

Light Rs. 1-14-0 per 10 lbs

Medium Rs. 2- 8-0

Dark Rs. 3- 2-0

(b) Fast to Bleach Colours--Light Rs. 3- 2 0

Medium Rs. 6- 4-0

Dark Rs. 9- 6-0

(c) Sulphur and Chrome Colours Rs. 5- 0-0

7. Cheesing and or coning charges } Rs. 1 8-0 per 10 lbs. up
including case packing } to and including 30s
Rs. 2-0-0 per 10 lbs.
over 30s

8. Yarn supplied on beams may be charged by the supplying manufacturer at the following maximum prices :—

(a) Upto and including 20s @ 2 annas per lb. above the ex-mill price per bundle as notified,

- (b) Over 20s and upto and including 40s @ 3 annas per lb. above the ex-mill price per bundle as notified.
- (c) Over 40s @ 4 annas per lb. above the ex-mill price per bundle as notified.
- (d) Yarns delivered by a manufacturer on bobbins or in any other form will not be charged anything higher than the ceiling price or ex-mill price whichever is lower.

9. The prices herein specified are the maximum ex-factory prices.

April 24, 1946.

To

ALL MEMBERS OF THE ASSOCIATION

Circular No. 15/46

Dear Sirs,

I am directed to reproduce herebelow for your information the Notice No. 792/R. A—I. R. P. issued by the Additional Director of Textiles and sent by the Assistant Director (Procurement) Textiles on 17-4-1946.

Yours faithfully,

JOTIN DEY

Hony. Secretary.

NOTICE

It has come to my knowledge that some dealers in Cloth or Yarn, holding licence under Group "C" and/or

'D' which are valid only for Wholesale and/or Retail sales respectively are importing such goods into the province of Bengal from outside.

I am to notify for general information that this contravenes the provisions of the Bengal Cotton Cloth and Yarn Control Order, 1946 under which only a person holding an "Importer" Licence under Group 'B' of that Order is entitled to import cloth, hosiery or yarn from outside Bengal; and the R/R or B/L or other documents presented by consignees holding such licences only, will be endorsed in the R/R Section of this Directorate.

Consignees, who do not hold the requisite Licences, are, therefore, requested to apply at their earliest for Licences under Group "B".

792 R A
I.R.P.

Sd - C. H. Gordon.
Additional Director of Textiles.

NOTIFICATION No. T.C. (17) I/45

In pursuance of sub-clause (b) of clause 10 of the Cotton Cloth and Yarn (Control) Order, 1943, I hereby direct that the maximum prices wholesale and retail at which yarn manufactured in India may be sold shall be as specified herein.

2. The maximum price per 10 lbs. of such yarn of any description specified in column 2 of the Schedule hereto appended shall be the ex-factory price thereof increased by the amount specified in the corresponding entry :

- (a) in column 3 of the said Schedule where the yarn is sold by a person who purchased it directly from a manufacturer ;

(b) in column 4 of the said Schedule in other cases where the yarn is sold otherwise than in retail quantities ;

(c) in column 5 of the said Schedule where the yarn is sold in retail quantities and subparagraph (a) does not apply.

3. Where the yarn is delivered elsewhere than within the town of manufacture, the seller may add to the maximum price specified in paragraph 2 the amount of the freight actually paid by him or the proportionate part thereof, as the case may be :

Provided that such additional charge shall not exceed (i) 4 annas for every 10 lbs. where the yarn is delivered at a place situated within any of the following areas, namely :—

Madras Province,

Bombay Province,

All States situated within the Western India States Agency,

Baroda State,

All states situated within the Deccan States Agency, Hyderabad State,

Mysore State,

Travancore State,

Cochin State,

All States within the Madras States Agency,

(ii) 10 annas for every 10 lbs. in other cases. Provided further that such additional charge shall be shown separately in the seller's invoice or cash bill, and the total amount of the bill may be rounded off to the nearest anna.

*Explanation :—*For the purposes of this notification "ex-factory price" means the maximum ex-factory price of the yarn specified in the Textile Commissioner's Notification No. 34. Tex/A (15) 2/43, dated 31st December, 1943, or

the contract ex-factory price thereof whichever is less ; and yarn shall not be deemed to be sold in retail quantities unless it is sold in loose bundles in lots of not more than 100 lbs. (and the total quantity sold to the buyer in the month does not exceed 200 lbs.).

SCHEDULE

S. No.	Description counts Groups	Margin in	Margin in	Margin in
		cases falling under para 2 (a) Quota- holders	cases falling under para 2 (b) Whole- salers	cases falling under para 2 (c) Retailers
	I's to and including 10's	0 3 0	0 6 0	0 10 0
2	Over 10's upto and including 20's	0 4 6	0 9 0	0 15 0
3	Over 20's upto and including 40's	0 7 6	0 15 0	1 9 0
4	Over 40's upto and including 50's	0 12 0	1 8 0	2 8 0
5	Over 50's	1 3 3	2 6 6	4 0 0

APPENDIX—D

LIST OF MEMBERS

For
1945

Name	Address
M/s. Ashutosh Roy	
Prafulla K. Roy	89, Cross Street, Calcutta
.. Ahmed Abdul Karim	
Bros., Ltd.	9A, Zakaria Street, Cal.
.. Abdul Aziz Tarmohamed	18, Zakaria Street, Cal.
.. A. M. Kasbati	15, Amratolla Lane, Cal.
.. Adam Hajeer Pir	
Mohamed Essack	1, Amratolla Lane, Cal.
.. A. Ahmed Brothers	216, Cross Street, Cal.
.. Abdulla Ayoob & Co.	15, Zakaria Street, Cal.
.. Adam Abdul Gani	28, Amratolla Street, Cal.
.. Ahmed Dawood Marsia	12, Zakaria Street, Cal.
B	
M s. Bhadarmal Mahadeo Lall	77, Cross Street, Cal.
.. Bhagawandas Kanhayalal	138.1, Harrison Road, Cal.
.. Bangodayo Cotton	
Mills, Ltd.	174, Cross Street, Cal.
.. Bhuban Mohan Saha &	
Sons, Ltd.	176, Cross Street, Cal.
.. Bagde Bros	24, Tantipara Lane (Salkia)
.. Bansidhar Nandlal	197, Harrison Road, Cal.
.. Brijlal Hargopal	182, Cross Street, Cal.
.. Bishwanath Paul	13, Bonfields Lane, Cal.
.. Basant Company	174, Cross Street, Cal.

Name	Address
M/s. Baijnath Shreelal	192, Cross Street, Cal.
„ Bose Brothers & Co., Ltd.	86/B, Clive Street, Cal.
„ Banwarilall	
Purshottamdas	29, Banstolla Street, Cal.
„ Bengal Fast Colour	
Dye Works	73, Cross Street, Cal.
„ Bhawanidas Ramgovind	7, Sambhunath Mullick Lane Cal.
„ Bhualka Brothers Ltd.	15, Clive Street, Cal.
„ Baldeodas Gajanand	113, Manohardas Katra, Cal.
„ Bengal Yarn Agency	192, Cross Street, Cal.
„ B. Singh & Co.	192, Cross Street, Cal.
„ Baldeodas Dungarsidas	89, Cross Street, Cal.
„ Bhut Nath Seth	37, Cross Street, Cal.
„ Bisweswarlal Mannalal	174, Harrison Road Cal.
„ Banku Behari Datta,	
Gour Hari Datta	178, Cross Street, Cal.
„ Bharat Supply Corpn.	138, Harrison Road, Cal.
„ Baisnab Charan Nashiram	
Saha Poddar	3, Baikuntha Sen Lane, Cal.
„ Bijoy Bros.	192, Cross Street Cal.

C

Chunnilal Chhaganlal	71, Cross Street, Cal.
Chunnilal & Co.	192, Cross Street Cal.
Calcutta Fast Colour	
Dye Works	Tantipara Lane (Salkia)
Chakravarty & Co.	214, Cross Street, Cal.
Chinubhai Chamanlal	37/30, Armenian Street, Cal.
Chowdhury Textile	7/1, Babulal Lane, Cal.
Chattra Cottage Indus- trial Works Ltd.	2, Raja Woodmunt Street Cal.
Chimanlal & Co.	37, Armenian Street, Cal.
Chen Ho Industrial Corp.	15, Chittaranjan Avenue.

D

Name	Address
M/s. Dharendra Nath Dey Nibaran Chandra Paul	123, Old China Bazar St., Cal.
„ Dwarkadas Mohanlal	174, Harrison Road, Cal.
„ Dwarkadas Jethabhai	5 1, Portuguese Church Street Cal.
„ D. Maganlal & Co.	21, Canning Street, Cal.
„ Dharmchand Kesherdeo	89, Cross Street, Cal.
„ Dattatria & Co.	5/1, Portuguese Church Street Cal.
„ Dwarkadas Kashiprasad	5, Narain P. Babu Lane, Cal.
„ Dahyabhai V. Patal	71/2, Canning Street, Cal.

E

M/s. Elahi Bux Brothers & Co. 3, David Josef Lane, Cal.

F

M/s. Fulchand & Co.	46, Cross Street, Cal.
„ Fateh Chand Ratanchand	71, Cross Street, Cal.

G

M s. Gajanand Basudeo	89, Cross Steet, Cal.
„ Gobinda Ch. Sachidananda Mitra	176, Cross Street, Cal.
„ Gourisankar Jalan	178, Cross Street, Cal.
„ Gajanand & Co.	9, Royal Exchange Place, Cal.
„ Ghanshyamdas Kishanlal	7, Sambhu Mullick Lane, Cal.
„ Gulab Chandra Anandmal	4, Raja Woodmunt St., Cal.
„ Gopiram Hardeodas	113, Manohardas Katra, Cal.
„ Ganeshprashad Brijmohandas	116, Vivekananda Road, Cal.
„ Gokuldas Dossa & Co.	14/2, Old China Bazar St., Cal.

H

Name	Address
M s. Haji Hussain Dada	12, Zakaria Street, Cal.
„ Hari Charan Shreemani	59, Gros Street, Cal.
„ Hiralal Pratapmal	125/1/1, Harrison Road, Cal.
„ Haranath Rai Binjraj	95, Lower Chitpur Road, Cal.
„ Haji Jamal Nurmohamed	21, Amratolla Street, Cal.
„ Haji Ebrahim Kassam Cochinwala	18, Amratolla Lane, Cal.
„ Haji Habib Haji Pirmohamad	25, Amratolla Lane, Cal.
„ Hosen Kassam Dada	26, Amratolla Lane, Cal.
„ Haji Sattar Haji Pirmohammad	23, Amratolla Lane, Cal.
„ Harchandrai Norangrai	192, Cross Street, Cal.
„ Hazarimull Hiralal	148, Cotton Street, Cal.
„ Hazi Ahmed Hajee Essak & Co.	18, Zakaria Street, Cal.
„ Hansraj Vishram & Co.	2, Arminian Street, Cal.
„ Hooghly Cotton Mills Co.	Serampore
„ Hariram Dinonath	160, Cross Street, Cal.
„ H. K. Jhajharia	174/B, Cross Street, Cal.
„ Hajee Hossain Zakaria & Co.	15, Zakaria Street, Cal.
„ Haribux Gopiram	26, Burtolla Street, Cal.
„ Hazi Abdul Rahman H. Abdulla	12 Zakaria Street, Cal.
„ Haridas & Co.	196, Cross Street, Cal.

I

M/s. International Supply Agency	174, Harrison Road, Cal.
„ India Fast Colour Dye Works	75/1, Cross Street, Cal.

J

Name	Address
M/s. Jethabhai Khatau & Co.	176, Cross Street, Cal.
.. Jhumarmal Laxminarayan	85 Cross Street, Cal.
.. Jewandas & Co.	176, Cross Street, Cal.
.. Jhabarmall Purshottam- das	222, Cittaranjan Avenue, Cal.
.. Jalan & Sons Ltd,	178, Harrison Road, Cal.
.. Jagdish Prosad Pannalal	27, Amratolla Street, Cal.
.. Jagannath Jeetmal	37, Armonian Street, Cal.
.. Jagannath Nagindas	174, Harrison Road Cal.
.. Jaidayal Gazanand	18, Mallick Street, Cal.
.. Jitendra & Co.	39, Ezra Street, Cal.
.. Jagannath Hanumanbux	37, Armenian Staect, Cal.
.. Jamunalal Swarupchand	4, Raja Woodmunt Street Cal.

K

M/s. Kashavjee & Co.	3, Pollock Street, Cal.
.. K. Chunnilal & Co.	178, Cross Street, Cal.
.. Kedarnath Ramratan	89, Cross Street Cal.
.. Kishanlal Purshottamdas	222, Chittaranjan Avenue.
.. Kishorilal Purshottamdas	7, Sambhu Mullick Lane, Cal.
.. Kantilal Mathuradas	71, Cross Street, Cal.
.. Kailas Chandra Bhar Haripada Bhar	198, Cross Street, Cal.
.. K. Kishanlal & Co.	192, Cross Street, Cal.
.. Kanailal Datta	178, Cross Street, Cal.
.. Kamala Kanta Mahendra Chandra Saha	23, Kali Kumar Banerjee Lane, Cal.
.. Keshablal Gobindalall Paul	10, Lal Madhab Mukerjee Lane, Cal.
.. Kapurchand & Co.	8, Sambhu Mullick Lane, Cal.
.. Kishori Mohan Dutt	192, Cross Street, Cal.

Name	Address
M.s. Luxminarayan Devidutt	89, Cross Street, Cal.
.. Laxmidas Purshattamdas	73, Cross Street, Cal.
.. Lachmichand Mahadeo	192, Cross Street, Cal.
.. Laxmi Prasad Loknath	9, Jagmohan Mullick Lane, Cal.
.. Laxminarayan Jawalla- prasad	136, Harrison Road, Cal.
.. Laduram Tapuria	37, Armenian Street, Cal.

M

M/s. Mahabir Prosad Goenka	89, Cross Street, Cal.
.. Mahamed Yusuf	7, Rajmohan Street, Cal.
.. Muljee Giridherdass	176, Cross Street, Cal.
.. M. Siddique & Co.,	12, Zakaria Street, Cal.
.. Meghraj Sanehiram	174, Harrison Road, Cal.
.. Mohini Mohan Banerjee	19/A, Cross Street, Cal.
.. Menkwa Stores	89, Cross Street, Cal.
.. Mahawar Yarn Trading & Co.	27, Amratolla Street, Cal.
.. Manilall Maganlal	37, Stand Road, Cal.
.. Maganlall Papatlall	59, Cross Street, Cal.
.. Md. Ebrahim Md. Jaffer & Co.	16, Amratolla Lane, Cal.
.. Madanlall Patodia	161/1, Harrison Road, Cal.
.. Mathuradas Mohanlall & Co.	13, Narayan Pd. Babu Lane, Cal.
.. Manicklal Bagri	14/2, Hari Ram Goenka St. Cal.
.. Murlidhar Ghanshyam- dass	89, Cross Street, Cal.
.. Motiwalla H.H. Alimohammed & Co.	18, Zakaria Street, Cal.
.. M. P. V. Sunderamier	228, Chittaranjan Avenue, Cal.
.. Mansukhlal Mohanlal	203/A Harrison Road, Cal.



Name	Address
M's. Narendra Kristo Dey	
Nitai Charan Dey	192, Cross Street, Cal.
.. Narayandas Haridas	71, Cross Street, Cal
.. Nanda Lall Passari	155/B, Muktarām B, St. Cal.
.. Narandass Chhaganlal	192, Cross Street, Cal.
.. Nagor & Co.	7, Sukhlal Johuri Lane, Cal.
.. Narsinghdas Sajan	
Kumar	178, Cross Street, Cal.
.. National Traders Co.	156, Cross Street, Cal.
.. Nanjee Kheraj	8/1, Rupchand Roy St., Cal.

P

Prahlad Chandra Paul	
Jatindra Nath Paul	80/3, Cross Street, Cal.
Parshottamdas & Co.	174, Harrison Road, Cal.
Pravin Chander Vishram	194, Cross Street, Cal.
Pannalall Ramkumar	192, Cross Street, Cal.
Padamshi Hargovind	113, Manohardas Katra, Cal.
Patodia & Co.	89, Cross Street, Cal.
Provash Chandra Paul	89, Cross Street, Cal.
Pannalal Johorimull	37, Cross Street, Cal.
Prabhudass P. Ralia	8/1, Rupchand Rai St., Cal.
Pratap Chandra Dey	
Amiya K. Dey	89, Cross Street, Cal.
Podder Brothers Ltd.	115/A, Chittaranjan Avenue, Cal.

R

M/s. Radha Kanto Das	
Jotindra K Das	178, Cross Street, Cal.
.. Rameshwardas Gouridutt	83, Cross Street, Cal.
.. Ramdayal Paul	192, Cross Street, Cal.

Name	Address
M/s. Rameshwardas Churiwala	18, Mullick Street, Cal.
.. Ramnick Lal Nand Lall & Bros.	192, Cross Street, Cal.
.. Rameshwarlal Shreenrayan	89, Cross Street, Cal.
.. Ramanlal Gopikishan	47, Khengra Patty, Cal.
.. Ratan Kristo Dey Hari Sadhan Dey	87, Cross Street, Cal.
.. Ramnicklal Mooljee	71, Cross Street, Cal.
.. Radheyshyam Banwarilal	6A, Tarachand Dutta St., Cal.
.. Ramswarup Kashidutt	73, Cross Street, Cal.
.. Rambilas Baijnath	42, Strand Road, Cal.
.. Ramnath Ramprasad	1B, Halwasiya Road, Cal.
.. Ratanlal Patodia	119B, Harrison Road, Cal.
Rajnikant Himmatlall	203/1 Harrison Road, Cal
.. Ramendra Saha	49, Kali Krishna Tagore St., Cal
.. Ram Gopal Agarwalla	85 Cross Street, Cal.
.. Ram Chandra Bhawarilall	94, Lower Chitpure Road, Cal

S

M/s. Sadasukh Gambhir Chand	32, Cross Street, Cal.
.. Saligram Munna Lal	71, Cross Street, Cal.
.. Sankalchand G. Shah & Co.	174, Harrison Road Cal.
.. Sankarlal Company	89, Cross Street, Cal.
.. Satish Chandra Sircar	174, Harrison Road, Cal.
.. Satyanarayan Shyamsunder, Ltd.	192, Cross Street, Cal.
.. Sagarmull Dhanraj	7, Swallow Lane, Cal.
.. Satya Narayan Gopi Kishan	15/A, Cross Street, Cal.
.. Sew Chand Bagri	4, Monohardas Katra, Cal.
.. Sheochandrai Inderchand	37, Armenian Street, Cal.

Name	Address
M/s. Sewbux Rai Mahali Ram	138, Harrison Road, Cal.
.. Seth Brothers & Co.	160, Cross Street, Cal.
.. Shyama Charan Dey	
Ram Kristo Dey	79/5, Cross Street, Cal.
.. Shew Ratan Kishan Chand	26, Shib Thakur Lane, Cal.
Santilall Vrijlal	203/A, Harrison Road, Cal.
Shree Mahalaxmi	
Dyeing Factory	192, Cross Street, Cal.
Shree Durga Stores	192, Cross Street, Cal.
Shree Laxminarayan Co.	180, Harrison Road, Cal.
Shree Jhajharia & Co., Ltd.	89, Cross Street, Cal.
Sunderdas Thackersey	
& Bros.	4, Lucas Lane, Cal.
Surajmal Sawalram	228, Chittaranjan Street, Cal.
Surajmull Ramdeo	4, Narayan Pd. Babu Lane, Cal.
Surajmal Murlidhar	28, Amratolla Street, Cal.
Sree Sree Luxminarayanjee	
& Co.	10, Subarban School Rd. Cal.
M/s. Tarmohamed Janoo	4, Rajmohan Street, Cal.
.. Taiyoob Ali Mohamed	
Ebrahim	15, Amratolla Lane, Cal.
.. Tibrawala & Brothers	47, Zakaria Street, Cal.

-V-

M/s. V. G. Bhatt & Co.	71, Cross Street, Cal.
.. Vipin & Company	37/38, Armenian Street, Cal.
.. V. Jiwandas & Company	218, Cross Street, Cal.
.. VasANJI Morarji	4/1, Nurmali Lohia Lane, Cal.

Name	Address
M/s. V. Madhukar & Company	48, Ezra Street, Cal.
" Vasanjee Topun Madhowjee & Co.	5/1, Portuguese Church St. Cal.

M/s. Yusuf Noormohamed	12, Zakaria Street, Cal.
------------------------	--------------------------

